



2018-19 City of Happy Valley Adopted Budget



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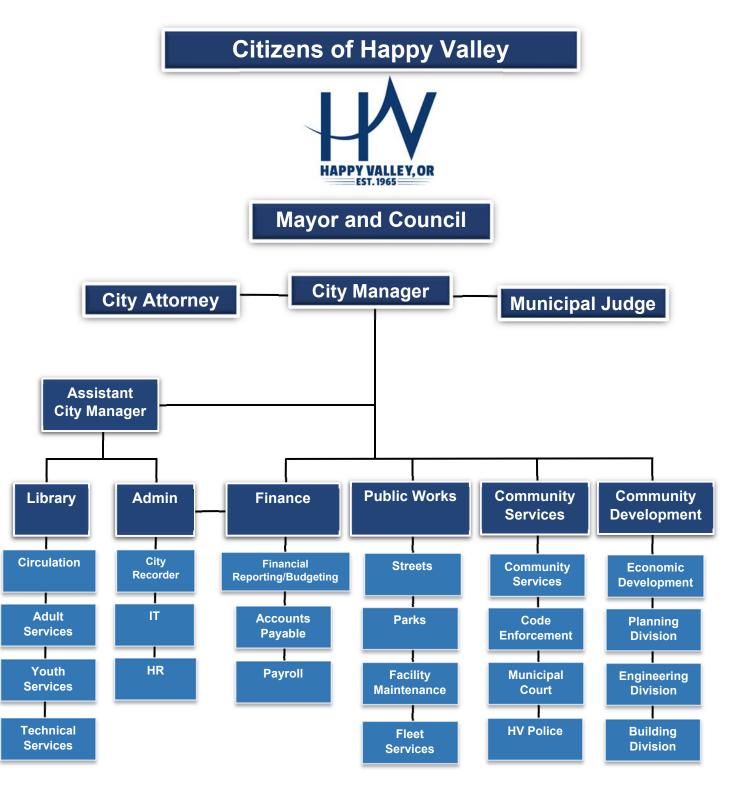
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City of Happy Valley Organization Chart Population 19,985



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Budget Committee

Council Members

Lori Chavez-DeRemer – Mayor Tom Ellis – Council President Markley Drake – Councilor Brett Sherman – Councilor David Golobay - Councilor

Citizen Members

William Bersie Avi Patel John Shepherd Grant Roper Ana Sarish



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Happy Valley Oregon

For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morrill

Executive Director



Mission Statement

Preserve and enhance the safety, livability, and character of our community.

Citywide goals:

Goal 1	Managed growth and economic development
Goal 2	Employee development in a quality work environment
Goal 3	A safe, livable community with a sense of pride and strong identity
Goal 4	Effective relationships with local, regional and state partners
Goal 5	Fiscal accountability
Goal 6	Environmentally sensible practices
Goal 7	Effective and efficient services



City Manager's Budget Message

To The Budget Committee:

I am pleased to present the 2018-19 fiscal year budget. The total for this budget is \$54.2 million and includes \$46.7 million of resources excluding transfers between funds and \$34.4 million of expenditures excluding transfers, contingency, and reserves for future expenditures. This budget increased overall by 31% from the 2017-18 budget of \$41.3 million. This change is due to increases in parks expenditures as the City plans for the first year with dedicated parks and recreation funding. Additionally, capital outlay expenditures saw a large increase as the City is now in control of its own Parks and Transportation SDC programs. The charts on pages 19-23 show dollar and percentage changes from the 2017-18 budget to the 2018-19 budget by fund and category as well as the total budget changes by category.

This budget includes three new funds. The Parks System Development Charges (SDC) Fund will account for the city's parks system SDC function. This includes establishing an SDC methodology, collection of SDCs related to development, and construction projects per the Capital Improvement Plan (CIP) for parks. This function was previously provided by the North Clackamas Parks and Recreation District. The decision was made to exit the district as of January 1, 2018 and take control of park development within the City.

The Parks Capital Projects Fund resources consist of a transfer from the Parks Fund. These resources will be available to supplement a Parks SDC project when the time comes. Not all SDC projects are 100% SDC eligible so having dedicated funds set aside will help get a project off the ground smoothly.

The Parks Reserve for Replacement will account for the replacement of capital assets and equipment related to parks. This fund will have a replacement list and schedule for its specific set of items.

Economic Outlook

While we continue to see healthy development activity, it has slowed somewhat during the 2017-18 fiscal year. We believe there is potential for development revenue to increase during the 2018-19 fiscal year, however, we have budgeted modestly due to the uncertainty of timing. There are many areas available for development within the city but the process to get them from undeveloped parcel to developed site takes time. Because that amount of time varies we show lower revenue amounts in this budget, however, we believe the five-year outlook is positive.

Development activity will increase population which will increase revenues received on a per capita basis such as state shared revenues. Development will also increase assessed value which will increase property tax revenues. Revenues associated with higher population and assessed value are much more predictable than revenue associated with development activity. Given these predictable and unpredictable revenue streams, our goal is to budget ongoing operations based on predictable revenue streams and use unpredictable revenue for one time type expenditures such as a new facility. This proactive method of setting aside funds for large one-time purchases will allow the City to provide a constant level of service even when development activity fluctuates.

One ongoing concern regarding expenditures, is the Public Employee Retirement System (PERS) and its associated employer rate increases. Legislative changes to PERS are required otherwise it is likely the city will see continued increases in employer rates for the foreseeable future. This budget includes PERS rates for Tier1/Tier 2 at 20.07% and OPSRP rates at 14.02%. As PERS rates are reassessed every two years, these rates will again increase for the 2019-21 budget. Due to the statewide unfunded actuarial liability, we can almost guarantee further rate increases for each biennium for the foreseeable future.



Challenges

We continue to evaluate how services will be provided for our residents and businesses. The City has been shifting away from the district model in order to directly manage how and when development happens in the City and how and when infrastructure gets built in the City. While relationships with our governmental partners are important, our primary responsibility is to deliver the best service at the most appropriate cost for our citizens. Transportation infrastructure, sanitary sewer infrastructure, parks, and open spaces are essential components of development and livability. The City must be a decision maker in those processes if we are to be the ones to determine the ultimate look and feel of our City.

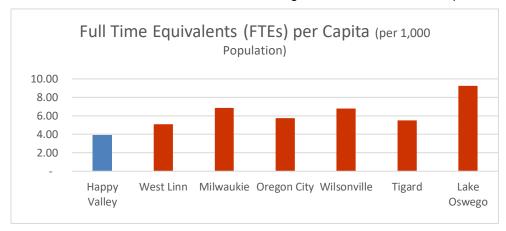
The City has been shifting away from the district model these past few years and any future change will be extensively evaluated to ensure it aligns with our long-term goals and strategies. In June of 2017, the City Council passed an ordinance to withdraw Happy Valley from the North Clackamas Parks and Recreation District (NCPRD). This was a big decision made after several years of conversations aimed at improving the park and recreation services provided to Happy Valley residents. Unfortunately, amicable negotiations regarding the division of assets were not successful. The City of Happy Valley officially filed a complaint in Circuit Court against Clackamas County and NCPRD. The lawsuit seeks to divide the assets in a matter that is fair given the contributions Happy Valley has made to the district. While we hope for a timely resolution, we have not included any settlement estimates in this current budget. We are however, planning for the passage of the 5-year parks operating levy which the citizens will be voting on in the May 2018 election. If passed this will provide dedicated property tax revenue in the Parks Fund at the rate of \$0.54 per \$1,000 of assessed value.



This budget, like past budgets, contains transfers to reserve funds. We use reserve funds to prepare for the foreseeable replacement of capital assets and to provide necessary operations during periods of revenue declines. Reserving money for the future is an essential component of any long term financial plan and aids in the achievement of our long term strategic goals. As with past budgets, we strive to strike the right balance between how much we spend on current requirements and how much we reserve for known and unknown long term requirements.

Personnel expenditures

Happy Valley continues to grow with annexations, new housing developments, and commercial/industrial projects. This development activity is beneficial long term for our City but makes it difficult to determine when to add employees rather than use contracted services. In this budget, we increase full time equivalent (FTE) staff by 2.4 overall from the



previous budget. This increase consists of 2.5 FTE in Parks and Recreation, .5 FTE increase in the Streets Fund, a decrease 1.0 FTE for Economic and Community Development and a decrease of 1.0 FTE for Community Services and Public Safety in the General Fund. There is also a 1.4 FTE increase in the Library Fund due to a better approximation of part time hours.



The City continues to maintain a lean and efficient staff of under 4 FTE (including contracted police officers) per 1,000 of population which is the lowest rate compared with other similar sized Portland Metro cities.

Personnel costs also include contributions to PERS. PERS rates are expected to rise over the next two biennia based on information we received from PERS staff.

Goals and Initiatives

While we have accomplished a lot this past year, there is much work ahead. Indeed, many of the highlights from this past year are on-going efforts that will be prioritized based on City Council direction.

Pleasant Valley / North Carver Comprehensive Plan

Following the annexations from the Damascus, Pleasant Valley and North Carver areas, the City needs to update our Comprehensive Plan to include this new land. This will require a significant amount of outreach with the property owners, other residents, and service providers. Metro has awarded the City a \$400,000 grant to assist with this planning effort.

Establish Funding for Parks & Recreation

Over the past year, the City began conversations on how to best fund parks and recreation services. Previously, Happy Valley citizens paid NCPRD a permanent tax rate of \$0.54 per \$1,000 of assessed value. In May 2018, the City will ask for voter approval of a parks levy at the same rate. The budget includes this funding for our new Parks and Recreation program and planning is already underway so that we can begin providing these services in the summer of 2018.

Evaluate Retail Sewer Service

Following the City Council's direction, we have initiated the feasibility study of directly providing retail storm and sewer service. The information we learn from this study will help prepare the City to assume the retail system and provide service to our residents.

Capital Improvement Project Funding

Finally, with all our growing service demands, the City needs to develop a strategic plan for investing in our facilities and infrastructure. The priorities identified in our various planning documents include a new Public Works Facility, Community Policing Center, community park, community center, neighborhood parks, all-weather turf fields, sidewalks, and road maintenance. Together, this list totals approximately \$70 million. We are working with the City Council to set priority levels and discuss various funding options for these projects.



Conclusion

We are currently in a positive economic cycle which gives us the opportunity to concentrate on long term strategies. We can contemplate the important questions about the City: What will the city look like 10 or 20 years from now? What services and amenities will be provided to our citizens and who is best suited to provide them? Do our policies attract the businesses and citizens we hope to attract? How do we maintain the look and feel of the community as we grow our city to 30,000 or 40,000 residents? These are the questions we continue to discuss as decisions are made regarding ongoing development, annexations, service model changes, and infrastructure requirements. These big questions and answers will have lasting implications for this City.

We use our five-year projection process to address these questions and look beyond the next fiscal year. The process helps us better understand the longer-term ramifications of decisions we make today. We then integrate that knowledge



into the budget process each year so our short-term plan is in alignment with our long-term plan. Given what we know and what we project for the coming fiscal year, this budget positions us to evaluate and address issues as well as provide adequate funding for operations.

Each year we strive to improve our budget and make it a document useful to those both inside and outside the organization. We believe our budget conveys the spirit of our City and translates our goals into a spending plan for the upcoming fiscal year. I want to thank everyone who participates in this budget process for their commitment to the success of the budget which aides in the success of the City. I also want to thank Travis Warneke and the finance staff for the preparation of this budget.

Respectfully submitted, Jason Tuck, City Manager and Budget Officer



Happy Valley Overview

Happy Valley, Oregon is located in Clackamas County and is in the northwest corner of the state of Oregon. The city has a total area of approximately 11.6 square miles. It is a member of the Portland, Oregon metropolitan area bordering Portland on the southeast. The city is located within Clackamas County which is governed by a five-member board of commissioners. The city is included in several special districts governed by the Clackamas County Board of Commissioners. The city is also part of Metro, the regional government for the Portland metropolitan area. The city's interaction with Metro is in the areas of land use planning including the urban growth boundary, management of regional parks and natural area systems, and regional transportation systems.



Happy Valley includes beautiful parks, meandering trails, well maintained streets, safe neighborhoods, and attractive commercial centers, Happy Valley is a wonderful place to call home. Much of the look and feel of the city took decades of thoughtful planning and steadfast leadership to instill development standards that reflect the community values. Since its incorporation as a city, Happy Valley has grown from a rural area with a population of approximately 300 people to a thriving city of over 20,000 residents. Happy Valley is one of the fastest growing cities and has one of the highest median family incomes in Oregon. We are proud of our heritage and excited for the future ahead.

Happy Valley was organized in November of 1965, as a Council-Mayor form of government. From January 1991 to December 2000 the City operated under Ordinance 105 that created the position of City Administrator and operated under the Council-Administrator form of government. On November 7, 2000 voters approved a new charter now referred to as the 2000 Happy Valley Charter. The new charter created the position of City Manager and new form of government, Council-Manager. The City Manager is the administrative head of the city government.

Happy Valley is governed by the City Council, which is comprised of three City councilors, one Council president, and the Mayor. All councilors and the mayor serve four-year terms and are elected by the voters of Happy Valley in the general election in November. The City Manager is appointed by, reports to, and is responsible to the Mayor and City Council.

Councilor terms are staggered so term expiration occurs every two years. This assures the city has at least two experienced Council members at all times. The Happy Valley Council serves on a voluntary basis, and dedicates a considerable amount of time in their involvement not only at Council meetings but also as representatives of the City in regional and statewide capacities. Council meets the first and third Tuesday of each month at City Hall. Council meetings are recorded and available for replay on the city's website: www.happyvalleyor.gov

The administration is committed to customer service, efficiency, and transparency. The City operates its own municipal court and provides street maintenance and operations, planning, engineering, building inspections, transportation planning, library, code enforcement, parks and recreation and community events. The City contracts with Clackamas County to provide police services funded by a local option levy first approved by the citizens in 2002 and passed again in 2006, 2010, and 2015. Sewer, storm water management, water, K12 and community college, and fire and emergency services are provided by separate districts overlaying the city.



The City received the Distinguished Budget Presentation Award for its 2017 annual budget from the GFOA, making this the 2nd consecutive City budget document to receive this award. This award is the highest form of recognition in governmental budgeting. Its attainment represents a significant accomplishment by a governmental entity, its finance staff, and its management. This international award program was first established in 1984 to encourage exemplary budgetary practices and to provide peer recognition for government finance officers who prepare budget documents. Budget proficiency is rated in four major categories: as a policy document, an operations guide, a financial plan, and a communications device.

We believe this budget document continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award. In addition to the budget award, the City received awards for its Comprehensive Annual Financial Reports (CAFR) in each of the previous two fiscal years.

Budget Process

Happy Valley prepares and adopts an annual budget in accordance with ORS 294.305 through 294.565. The budget is presented in fund and department categories for the fiscal year. Over-expenditures in any category are a violation of local budget law. Any unexpended budget appropriations lapse at the end of the fiscal year because the city does not employ an encumbrance system to encumber funds from one budget year to the next.

The Budget Committee for Happy Valley consists of the Council plus an equal number of legal voters who have resided in the city for at least a year. The citizen members are appointed by Council. Since Happy Valley has five councilors the Budget Committee consists of ten members, with the vote of each member being equal.



This committee is established in accordance with the provisions of Oregon Revised Statutes to review the City Manager's Proposed Budget document as prepared by the budget officer and to recommend a budget they approve to the Council for adoption. Terms for citizen members on the budget committee are three years. The City Recorder is the official record keeper for the committee and the Finance Director is the staff liaison.

Budgeted appropriations may be transferred after adoption of the budget document using a budget resolution passed by Council. The budget may be amended during the fiscal year using a supplemental budget process as outlined in Oregon Revised Statutes governing local budget law. Supplemental budgets are adopted during a public hearing at a Council meeting and do not extend beyond the end of the fiscal year.

The City Manager is responsible for management of the overall budget and for maintaining budgetary control at the adopted appropriation level including any budget resolutions and supplemental budgets passed by Council. Ongoing review and monitoring of revenues and expenditures is performed by the Finance Department in collaboration with the respective department directors.



Budget Phases and Calendar

Pre-budget – Long Term Planning December – February

Update the five-year financial projection. This process is completed each year prior to the beginning of the budget process. Long term issues and ideas are discussed and reviewed during the five-year projection process.

The projection is prepared by the Finance Department under the guidance of the City Manager. Projection assumptions are reviewed, updated and then applied to the current year forecast. The updated projection is reviewed by the management team.

After adjustments are made, the draft projection is presented to the Council at a work session. Changes from the Council are incorporated into the projection and a final version is then presented at the next available regular session for acceptance of the projection. The first year of the finalized projection is used as the basis for the annual budget.

Phase 1 February – April

Review and further refine numbers from the five-year projection based on the current year forecast and other available pertinent information. The management team meets to discuss and review all funds, programs, and services. During this timeframe, Budget Buddy meetings are held to educate the citizen volunteers on the Budget Committee about the budget process as well as city departments and services. The Proposed Budget is created based on programs and services planned for the upcoming budget period as well as information from the five-year projection to incorporate a longer-term vision.

Phase 2 April – May

The Budget Committee Meeting is held at City Hall. This public meeting requires public notices set out in statute. The entire Budget Committee is in attendance along with the city manager, department directors and other staff. City staff is in attendance to present the Proposed Budget and Budget Message as well as answer any questions the Budget Committee members may have regarding the Proposed Budget.

The Budget Committee Meeting allows in-depth review and discussion of the Proposed Budget. After discussion and review of the Proposed Budget is complete, the Budget Committee members vote on the budget. The budget and tax levies are approved if a majority of the committee votes in favor of the Proposed Budget including changes voted on and passed by the committee during the meeting. This vote of approval by the Budget Committee allows the Finance Department to convert the Proposed Budget into the Approved Budget. The Approved Budget is then sent to the Council for the Budget Hearing and adoption.

Phase 3 June – July

The Approved Budget is presented to City Council during a public meeting for adoption. Council holds a hearing to discuss the use of state shared revenues and passes resolutions to certify provision of city services and the election to receive state shared revenues. The Council holds the budget hearing to review and deliberate the Approved Budget. Council passes a resolution to adopt the budget, make appropriations, and impose taxes. If necessary, resolutions to create new reserve funds are also passed during this meeting.



Adoption of the budget by the Council allows the Finance Department to update the budget document to the Adopted version. The Adopted Budget is effective beginning July 1 of the fiscal year. The budget resolutions and property tax certification are submitted to the County before July 15 in order for the property taxes to be assessed.

Phase 4 July – June

If during the fiscal year a transfer of appropriation becomes necessary, the Finance Director and City Manager submit a resolution to the Council for approval. An increase in appropriation or creation of a new appropriation category or fund requires the Council to adopt a supplemental budget. A supplemental budget modifies the adopted budget and is effective through the end of the fiscal year.

Basis of Budgeting

All funds are budgeted using the modified accrual basis of accounting in accordance with budgetary accounting practices. In the modified accrual basis of accounting, revenues are recognized when they become available and measureable. Measurable means the amount is known and available means it is collectible within the current period or soon enough after the end of the current period to pay liabilities of the current period. Major revenues considered measurable and available under the modified accrual basis of accounting are property taxes, franchise fees, and intergovernmental revenues received within 60 days of the end of the fiscal year. Expenditures are recognized when the liability is incurred, except for interest on general long-term obligations which is recorded when due.

The following governmental funds are included in this budget: General, Street, Library, Parks, Storm Utility SDC, Transportation SDC, Parks SDC, Pedestrian Improvement Projects (PIP), Public Safety, Facility Capital Projects and Parks Capital Projects funds. Also, included in the budget are the following reserve funds which are budgeted per Oregon local budget law but are combined into one of the governmental funds in the Comprehensive Annual Financial Report: General Operations Reserve, General Reserve for Replacement, Library Reserve for Replacement, Parks Reserve for Replacement and Street Reserve for Replacement. The Reserve for Debt Service Fund is shown for historical purposes only.

Basis of Auditing

In the Comprehensive Annual Financial Report (CAFR), governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Net Assets

The comprehensive annual financial report includes information about the City as a whole using accounting methods similar to those used by private-sector companies. The government-wide statements report the City's net position and how it has changed. Net position is the difference between the City's assets, deferred outflows of resources, liabilities



and deferred inflows of resources and are a way to measure the City's financial health. Over time, increases or decreases in the City's net position are indicators of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the City, one must consider additional non-financial factors such as the City's tax base, local and statewide economic and legislative climate, as well as many other factors.

Fund Balance

In the budget each fund shows a beginning and ending fund balance. Fund balance refers to the excess of the assets of a fund over its liabilities and reserves. Budgeted beginning fund balance in a fund is an estimate of where that fund will be at the end of the preceding fiscal year. This amount is used in the budget process as part of the estimate of total resources for a fund. Ending fund balance is calculated based on the expenditures and resources estimated for the fiscal year in the current year.



Financial Policies

The City of Happy Valley has a responsibility to its citizens to carefully account for public funds and to manage municipal finances wisely. The City Council is ultimately responsible for decisions concerning the City Charter, ordinances, and all applicable state and federal laws in its decision making. These policies are designed to establish guidelines for the fiscal stability of Happy Valley and to provide guidance for the city manager.

Budget

The City shall prepare, adopt and amend its annual budget in accordance with Oregon Revised Statutes governing local budget law.

A balanced budget is a budget where revenues are equal to expenditures and neither a budget deficit nor a budget surplus exits. In the case of the city budget, it refers to a budget that does not have a budget deficit, but could possibly have a budget surplus. The budget surplus could be in the form of an unappropriated ending fund balance, a contingency amount, or an amount reserved for future expenditures. These categories allow amounts to be set aside and not expended in the current fiscal year.

The Finance Director will be responsible for maintaining a budgetary control system to ensure adherence to the adopted budget. The budget will support the Council's goals, long-range plans, as well as the needs of the community.

Asset Investment

Management responsibility for the asset investment program is delegated to the Finance Director with oversight by the City Manager. The Finance Director shall adhere to the Oregon Revised Statutes regarding managing the investment program for the city.

The Finance Director will invest the city's surplus funds only in those investments authorized by Oregon Revised Statutes. The city will not invest in stocks and it will not speculate or deal in futures or options.

The city will conduct business only with financial institutions (banks investment brokers, investment bankers, trustees, paying agents, registrants, etc.) deemed to be credit worthy. Safety of principal is the foremost objective of the city. Each investment transaction shall be undertaken in a manner that seeks to ensure preservation of capital and avoidance of capital losses through securities defaults, erosion of market value or other risks.



The Finance Director shall match the city's investment portfolio with its cash flow requirement. Due to the changing requirements of cash flow caused by factors not totally within the control of the Finance Director, the ability to convert a security into cash must be considered.

Investments of the city shall be acquired in a manner designed to attain the maximum rate of return through all budget and economic cycles, taking into account constraints on investment instruments, cash flow characteristics of transactions and safety of principal.

Finance Director will maintain a capital asset record keeping system, to record capital asset values as support for amounts recorded in the financial statements, as well as establish specific procedures to ensure both the acquisition and retirement of capital assets are recorded on an ongoing basis.

Revenue

Dedicated revenue sources shall only be used for the purpose for which they are collected. One-time revenue sources will not be used to fund ongoing activities of the city. The city will closely manage the collection of revenues and when necessary, discontinuing service, collection agencies, liens, and other collection methods may be used.

The city shall endeavor to diversity its revenue system so as to shelter operations from over reliance on any specific revenue source. Interest earned shall be distributed to the appropriate fund in accordance with the equity balance of the particular fund from which the money was provided for investment.

Debt

Debt shall not be used for operational expenditures. No debt shall be in existence for longer than the useful life of the capital investment for which the debt was incurred.

The city will examine financial alternatives in addition to long-term debt. These alternatives include pay-as-you-go, joint financing, reserve funds, lease-purchase, local improvement districts, special assessments, borrowing from other funds, system development charges, and developer contributions. A cost benefit analysis will be performed for any alternative being considered with the goal of minimizing the cost of financing.

The city shall ensure its debt margins are within the 3 percent limitation as set forth in the Oregon Revised Statutes. The city will be actively involved in the selection of all financial advisors, underwriters, paying agents and bond counsel. Costs associated with the issuance of debt will be kept to a minimum while maintaining the goal of conducting business with stable, low risk, credit worthy firms.

Accounting

The city shall establish and maintain its accounting systems in accordance with Generally Accepted Accounting Principles (GAAP) and shall adhere to the principles and standards promulgated by the Government Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB) using guidance suggested by the Government Finance Officers Association (GFOA). The city shall maintain an accurate and current record of its capital assets in order to factor its investment in these capital assets into the fees the city charges for services.

An annual audit shall be performed by an independent public accounting firm, which will issue an official opinion on the annual financial statements, as well as identify areas needing improvement, if required. A Comprehensive Annual Financial Report shall be to present the results, financial position and operations of the city for the prior fiscal year.



Reserve and Contingency

The city shall maintain a contingency plan in order to respond to significant shortfalls in the budget. The plan shall outline an appropriate course of action that management should take in response to significant gaps between revenues and expenditures. Policy 13-04 Budget Reserves & Contingency covers this issue.

The Council policy is to budget 20% of total expenditures to mitigate short term volatility of revenues, mitigate short term economic downturns, absorb unanticipated operating needs, and meet operating cash flow requirement prior to collection of property taxes and other operating revenues.



Long Term Debt

In August 2007, Happy Valley issued \$5,000,000 of full faith and credit obligation bonds to provide funds for the construction of a new city hall building. Interest coupon rates range from 4% to 4.25%. The bonds are direct obligations and pledge the full faith and credit of the City. They were issued as 20-year serial bonds with increasing principal amounts due each year. During the 2016-17 budget period, the City paid off the remaining callable principal balance of \$3,530,000. Paying off the balance 10 years early saved the City nearly \$900,000 in interest payments. As there is no remaining long term debt, the Reserve for Debt Service Fund is shown in this budget for historical purposes only.

In the budget, debt payments are classified as expenditures for the fiscal year. In the CAFR, long-term debt is reported as a liability and payments are a reduction of that liability and not an expenditure. In the Reserve for Debt Service Fund financial statement in the CAFR, bond premiums and discounts and bond issuance costs, are recognized when incurred. The face amount of the debt issued and premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

Pursuant to Oregon Revised Statute 287.004, outstanding general obligation debt for cities in Oregon cannot exceed three percent of the real market value of all properties within the city limits. For Happy Valley, this maximum is \$102 million as of June 2017. The city has not issued debt subject to this limitation.

Currently the city has no plan to issue any debt however, we are in the midst of reviewing our service model to determine if it would benefit our citizens for the city to provide services currently provided by overlapping districts. If the decision is made to change our service model it is likely the City will issue debt sometime in the future. We are also reviewing the feasibility of moving and expanding our public works facility. If it is determined a new facility is required, it is possible debt would be issued to purchase a site and construct a facility.

Residents of Happy Valley are subject to debt outside of that issued by the City. Debt issued by overlapping districts becomes part of the debt burden if residents are within those overlapping districts. Happy Valley residents may be part of various overlapping districts including school, community college, sewer, and fire, as well as county and regional government districts.



Goals

Pleasant Valley / North Carver Comprehensive Plan

Following the annexations from the Pleasant Valley and North Carver areas, the City needs to update our Comprehensive Plan to include this new land. This will require a significant amount of outreach with the property owners, other residents, and service providers. We expect Metro to award the City a \$400,000 grant to assist with this planning effort.

Establish Parks & Recreation Program

In May of 2018, the citizens of Happy Valley will vote to establish a parks operating levy at \$0.54 per \$1,000 of assessed value. The budget includes this funding for our new Parks and Recreation program. Planning is already underway so that we can begin providing these services in the summer of 2018.

Evaluate Retail Sewer Service

Following the City Council's direction, we have initiated the feasibility study of directly providing retail storm and sewer service. The information we learn from this study will help prepare the City to assume the retail system and provide service to our residents.

Capital Improvement Project Funding

Finally, with all our growing service demands, the City needs to develop a strategic plan for investing in our facilities and infrastructure. The priorities identified in our various planning documents include a new Public Works Facility, Community Policing Center, community park, community center, neighborhood parks, all-weather turf fields, sidewalks, and road maintenance. Together, this list totals approximately \$70 million. I plan to engage the City Council to set priority levels and discuss various funding options for these projects.

Summary of 2018-19 fiscal year budget

Happy Valley budgets at the fund level. A fund is a fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, and balances and changes, which are segregated for specific activities and objectives. Happy Valley uses only governmental fund types. Governmental funds are used to account for most of the city's functions and include general, special revenue, debt service, and capital projects funds.

Description of Funds

General Fund – accounts for all financial resources and expenditures of the City, except those required to be accounted for in another fund. The principal revenue sources are property taxes, intergovernmental revenues, various fees for provided services, and interest income.

Street Fund – accounts for shared state highway revenues and expenditures authorized by the Oregon Constitution to be made from those revenues. This fund also accounts for other revenue sources so expenditures are also made from this fund based on those revenue sources.

Library Fund – accounts for operations and maintenance of library services within the area designated by the Library District. Revenues are primarily from the Library District calculated distribution based on an intergovernmental agreement.

Parks Fund – accounts for maintenance of Happy Valley parks, city trail systems, and the recreation program. Revenues are from the Parks operating levy (if passed), event sponsorships, vendor fees, and user fees.



Storm Utility Systems Development Charge (SDC) Fund – accounts for City's development of storm drain infrastructure and improvements. Expenditures include credits to developers and capital outlay for items on the capital improvement plan. Revenues are primarily fees collected from developers.

Transportation Systems Development Charge (SDC) Fund – accounts for City's development of transportation infrastructure and improvements. Expenditures include credits to developers and capital outlay for items on the capital improvement plan. Revenues are primarily fees collected from developers.

Parks Systems Development Charge (SDC) Fund – accounts for City's development of parks and improvements. Expenditures include credits to developers and capital outlay for items on the capital improvement plan. Revenues are primarily fees collected from developers.

Public Safety Fund – accounts for public safety operations and maintenance within the city. Revenues are primarily from a local option levy. Expenditures include a contract for police services.

The following reserve funds are budgeted per Oregon local budget law. However, they are not considered separate funds for financial reporting and are combined into one of the above funds in the CAFR.

Pedestrian Improvement Projects (PIP) Fund – accounts for pedestrian improvement projects such as bike lanes, pedestrian crossings, pedestrian refuge, sidewalks, and pathways. Revenues in this fund are transfers from the General Fund.

Facilities Capital Projects Fund – accounts for the purchase of land and construction of new facilities. Revenues in this fund are transfers from the General Fund.

Parks Capital Projects Fund – resources consist of a transfer from the Parks Fund. These resources will be available to supplement a Parks SDC project when the time comes. Not all SDC projects are 100% SDC eligible so having dedicated funds set aside will help get a project off the ground smoothly.

General Operations Reserve Fund – reserve amounts to offset the cyclical nature of resources used to provide the general operations of the City. Revenues are transfers from the General Fund.

General Reserve for Replacement Fund – reserve amounts for purchase of large dollar maintenance and capital replacement and purchase, according to an annually reviewed and updated replacement schedule. Accounting for these items here allows operational expenditures to be comparable year over year without spikes caused by capital replacement purchases. Revenues are transfers from the General Fund and PEG fees.

Library Reserve for Replacement Fund – reserve amounts for purchase of large dollar maintenance and capital replacement and purchase, according to an annually reviewed and updated Library replacement schedule. Accounting for these items here allows operational expenditures to be comparable year over year without spikes caused by capital replacement purchases. Revenues are transfers from the Library Fund.

Street Reserve for Replacement Fund – reserve amounts for purchase of large dollar maintenance and capital replacement and purchase, according to an annually reviewed and updated Street replacement schedule. Accounting for these items here allows operational expenditures to be comparable year over year without spikes caused by capital replacement purchases. Revenues are transfers from the Street Fund.



Parks Reserve for Replacement Fund – reserve amounts for purchase of large dollar maintenance and capital replacement and purchase, according to an annually reviewed and updated Parks replacement schedule. Accounting for these items here allows operational expenditures to be comparable year over year without spikes caused by capital replacement purchases. Revenues are transfers from the Parks Fund.

Highlights

The budget for the fiscal year beginning July 1, 2018 and ending June 30, 2019 totals \$54.2 million. This is an increase of 31% over the 2017-18 fiscal year budget which totaled \$41.3 million.

In this 2018-19 budget, personnel services represent 15% of total budgeted expenditures at \$8 million, up from \$7.1 million budgeted in 2017-18. This increase was due to added staff in the Parks Fund, Street Fund and the Library Fund.

Materials and services represent 17% of the total at \$9.4 million, this increased from \$7.5 million in the previous budget. Capital outlay is 31% of total budgeted expenditures at \$17 million compared to 14% and \$5.8 million in the 2017-18 budget. Most of this increase was due the establishment of Transportation and Parks SDC Funds. An additional \$2.3 million was transferred to the Facility Capital Projects Fund and appropriated as Capital Outlay for the construction of a new facility.

The remaining \$20 million is made up of transfers, contingency, and reserved for future expenditures. Transfers of \$7.5 million were the same as budgeted in 2017-18, contingency of \$4.8 million is up from the \$3.9 million in the previous budget and reserved for future expenditures at \$7.5 million decreased from \$9.3 million in the 2017-18 budget.

Transfers primarily consisted of \$3.2 million to the Facility Capital Project Fund and \$1.8 million from the Street Fund to the Street Reserve Fund to move the restricted developer Fee In Lieu of balance. Another \$1.5 million total was transferred from the General Fund, Library Fund, Parks Fund and Street Fund to their respective Reserve for Replacement Funds.

In the Transportation SDC fund, \$6.0 million is budgeted for SDC projects. The City received \$4.4 million in February 2018 from Clackamas County following the withdrawal from the Joint Transportation SDC Program.

Administrative costs in the General Fund benefit all departments and are allocated to departments and funds based on the cost allocation plan. The plan is reviewed and updated each year to reflect any changes in the organization. Transfers from the Parks, Street, Library, Public Safety, and PIP Funds to the General Fund cover the cost of general administration per the cost allocation plan.





Below is the chart of transfers in and out for all funds in this budget.

	General Fund	Parks Fund	Street Fund	Library Fund	Public Safety Fund	Ped Improv Proj	SDC Funds	Facility Capital Projects Fund	Parks Capital Projects Fund	Reserve for Rplcmnt Funds	General Operations Reserve Fund	Total Interfund Transfers
Transfers In	1,218,000	-	-	-	-	100,000	400,000	2,300,000	90,000	3,125,000	300,000	7,533,000
Transfers Out	(3,200,000)	(648,000)	(1,825,000)	(990,000)	(452,000)	(18,000)	(400,000)	-	-	-	-	(7,533,000)
Total by Fund	(1,982,000)	(648,000)	(1,825,000)	(990,000)	(452,000)	82,000	-	2,300,000	90,000	3,125,000	300,000	-

The reserved for future expenditures went from \$9.3 million in the previous budget to \$7.5 million is this budget. These reserves include fees paid in lieu of construction, amounts for mitigation of the cyclical nature of the economy and amounts reserved for replacement of equipment. The previous budget had \$2.8 million of transportation SDCs reserved for future SDC projects while this budget has the full balance of transportation SDCs appropriated. Amounts reserved for future expenditures can be made available for appropriation using the supplemental budget process.

Amounts set aside for the replacement of equipment and facilities are determined based on schedules using replacement value, life of asset, and years until replacement. These schedules are used to justify amounts set aside in the three Reserve for Replacement Funds. The schedules are reviewed and all items evaluated on an annual basis. The schedules are updated as items are replaced and as new items are purchased and meet the criteria for addition.

Following are charts and tables showing overall budget information by fund, category and overall resources and requirements.

Total of All Funds - Happy Valley 2018-19 Budget

			Adopted		Proposed	Approved	Adopted
	Preceding	Preceding	Budget	Estimate	Budget	Budget	Budget
	2015-16	2016-17	2017-18	2017-18	2018-19	2018-19	2018-19
Resources							
Beginning Fund Balance	15,783,375	18,746,896	16,496,971	18,320,963	25,954,606	25,954,606	25,954,606
Property Taxes	4,506,549	4,906,710	5,102,000	5,422,000	7,487,000	7,487,000	7,487,000
Licenses, Permits, & Fees	4,929,852	5,329,123	6,507,000	9,638,000	6,696,000	6,696,000	6,696,000
Intergovernmental	3,983,311	4,663,478	4,570,877	4,787,850	5,299,150	5,299,150	5,299,150
Fines and Court Related	579,912	569,509	580,000	732,500	670,000	670,000	670,000
Transfers from other Funds	2,929,855	4,748,964	7,405,698	7,604,434	7,533,000	7,533,000	7,533,000
Miscellaneous	455,875	777,887	630,750	475,000	605,000	605,000	530,000
Total Resources	33,168,729	39,742,567	41,293,296	46,980,747	54,244,756	54,244,756	54,169,756
Requirements							
Personnel Services	5,753,449	6,424,825	7,030,600	6,844,000	8,019,900	8,019,900	8,019,900
Materials & Services	5,145,994	5,530,382	7,193,000	6,123,050	9,369,700	9,369,700	9,294,700
Debt Service	371,700	3,603,513	-	-	-	-	-
Operations	11,271,143	15,558,720	14,223,600	12,967,050	17,389,600	17,389,600	17,314,600
Transfers to Other Funds	2,929,855	4,748,964	7,405,698	7,445,675	7,533,000	7,533,000	7,533,000
Capital Outlay	434,262	914,946	6,071,736	650,000	17,044,414	17,044,414	17,044,414
Operations, Transfers, Capital	3,364,117	5,663,910	13,477,434	8,095,675	24,577,414	24,577,414	24,577,414
Contingency	-	_	4,207,965	_	4,797,983	4,797,983	4,797,983
Reserved for Future Expenditures	5,764,432	3,344,919	9,384,297	2,198,974	7,479,759	7,479,759	7,479,759
Ending Fund Balance	12,769,037	15,175,018	<u> </u>	23,719,048	<u> </u>		<u> </u>
Ending Fund Balance, Reserves, and Contingency	18,533,469	18,519,937	13,592,262	25,918,022	12,277,742	12,277,742	12,277,742
Total Requirements	33,168,729	39,742,567	41,293,296	46,980,747	54,244,756	54,244,756	54,169,756
Budget Positions	62.03	64.63	67.60	66.00	70.00	70.00	70.00
Monthly Operating Costs per Capita	\$54	\$70	\$59	\$54	\$70	\$70	\$69

			Adopted		Adopted	Change from A	Adopted
	Preceding	Preceding	Budget	Estimate	Budget	2017-18	3
_	2015-16	2016-17	2017-18	2017-18	2018-19	\$	%
General Fund							
Beginning Fund Balance	3,106,307	4,206,967	3,965,727	5,169,882	5,019,157	1,053,430	26.6%
Property Taxes	1,476,614	1,611,397	1,650,000	1,822,000	1,985,000	335,000	20.3%
Intergovernmental	556,580	719,001	623,000	740,000	980,000	357,000	57.3%
Fees and charges	5,023,513	5,551,738	3,715,000	4,812,500	4,433,000	718,000	19.3%
Misc	254,608	285,388	160,000	220,000	185,000	25,000	15.6%
Transfers In	822,855	994,320	1,482,775	1,382,775	1,218,000	(264,775)	-17.9%
Resources Total	11,240,477	13,368,811	11,596,502	14,147,157	13,820,157	2,223,655	19.2%
Requirements							
Administration							
Personnel Services	1,067,367	1,295,884	1,407,000	1,425,000	1,545,100	138,100	9.8%
Materials and Services	994,070	1,056,206	1,234,000	1,008,000	1,295,000	61,000	4.9%
Administration Total	2,061,437	2,352,090	2,641,000	2,433,000	2,840,100	199,100	7.5%
Com Svcs & Public Safety							
Personnel Services	992,484	1,035,193	1,094,000	1,095,000	1,098,900	4,900	0.4%
Materials and Services	50,618	53,062	72,500	59,500	76,500	4,000	5.5%
Com Svcs & Public Safety Total	1,043,102	1,088,255	1,166,500	1,154,500	1,175,400	8,900	0.8%
Economic and Com Dev							
Personnel Services	1,735,987	1,980,920	2,278,100	2,055,000	2,482,700	204,600	9.0%
Materials and Services	321,889	370,314	335,000	287,000	646,000	311,000	92.8%
Economic and Com Dev Total	2,057,876	2,351,234	2,613,100	2,342,000	3,128,700	515,600	19.7%
Public Works							
Personnel Services	396,916	427,221	506,100	490,000	538,600	32,500	6.4%
Materials and Services	115,792	142,699	242,000	238,500	235,000	(7,000)	-2.9%
Public Works Total	512,708	569,920	748,100	728,500	773,600	25,500	3.4%
Parks							
Personnel Services	141,785	-	-	-	-	-	N/A
Materials and Services	122,683		-	-		-	N/A
Parks Total	264,468	-	-	-	-	-	N/A
NonDepartmental	-	32,786	-	-	-	-	N/A
Transfers Out	1,350,000	1,804,644	2,470,000	2,470,000	3,200,000	730,000	29.6%
Contingency			1,957,802	-	2,702,357	744,555	38.0%
_	7,289,591	8,198,929	11,596,502	9,128,000	13,820,157	2,223,655	19.2%
Parks Fund							
Resources	_	385,392	1,110,427	655,850	1,704,700	594,273	53.5%
Requirements		000,002	1,110,121	000,000	1,701,700	001,270	00.070
Operations							
Personnel Services	_	149,424	158,800	123,000	190,000	31,200	19.6%
Materials and Services	_	137,068	429,000	392,500	271,000	(158,000)	-36.8%
Operations Total		286,492	587,800	515,500	461,000	(126,800)	-21.6%
Programming		200, 102	007,000	010,000	101,000	(120,000)	21.070
Personnel Services	-	-	-	-	212,900	212,900	N/A
Materials and Services	-	-	-	-	144,700	144,700	N/A
Programming Total	-	-	-	-	357,600	357,600	N/A
Non-Departmental Other			30,000	5,000	80,000	50,000	166.7%
Capital Outlay	-	-	30,000 175,000	3,000	60,000	(175,000)	-100.0%
Non-Departmental Total			205,000	5,000	80,000	(175,000)	-61.0%
Transfers Out	_	98,900	127,650	127,650	648,000	520,350	407.6%
Contingency	-		-	- ,555	158,100	158,100	N/A
- ´ ´	-	385,392	920,450	648,150	1,704,700	784,250	85.2%
=						24	

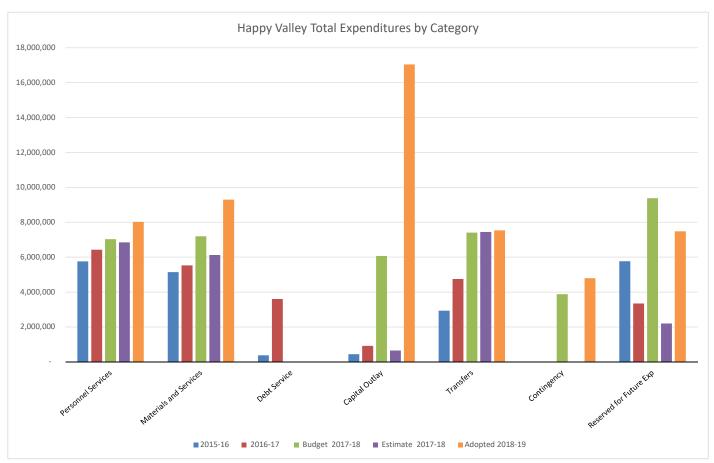
			Adopted		Adopted	Change from Adopted		
	Preceding	Preceding	Budget	Estimate	Budget	2017-18	3	
	2015-16	2016-17	2017-18	2017-18	2018-19	\$	%	
Public Safety Fund								
Resources	3,867,358	4,306,576	4,593,851	4,814,614	5,305,224	711,373	15.5%	
Requirements	, ,		, ,		, ,	,		
Materials and Services	2,676,831	2,890,512	3,250,000	3,039,550	3,692,000	442,000	13.6%	
Capital Outlay	-	-	10,000	-	10,000	-	0.0%	
Transfers Out	274,035	301,450	424,840	424,840	452,000	27,160	6.4%	
Contingency		-	909,011	-	1,151,224	242,213	26.6%	
	2,950,866	3,191,962	4,593,851	3,464,390	5,305,224	711,373	15.5%	
Library Fund								
Resources	5,379,606	5,400,162	4,122,000	4,177,427	3,941,502	(180,498)	-4.4%	
Requirements								
Personnel Services	1,188,784	1,263,162	1,379,900	1,367,000	1,557,200	177,300	12.8%	
Materials and Services	428,649	421,973	522,000	501,000	608,000	86,000	16.5%	
Transfers Out	976,190	2,239,600	1,213,925	1,213,925	990,000	(223,925)	-18.4%	
Contingency		2 004 705	1,006,175	2 004 005	786,302	(219,873)	-21.9%	
	2,593,623	3,924,735	4,122,000	3,081,925	3,941,502	(180,498)	-4.4%	
Street Maintenance Fund								
Resources	2,779,299	3,245,731	2,871,551	3,883,364	4,481,514	1,609,963	56.1%	
Requirements								
Personnel Services	230,126	273,021	301,700	289,000	394,500	92,800	30.8%	
Materials and Services	196,923	266,154	348,500	327,000	426,500	78,000	22.4%	
Capital Outlay	318,697	27,722	486,128	200,000	1,835,514	1,349,386	277.6%	
Transfers Out	296,278	267,470	320,000	320,000	1,825,000	1,505,000	470.3%	
	1,042,024	834,367	1,456,328	1,136,000	4,481,514	3,025,186	207.7%	
Reserved - Future Expenditures	-	-	1,415,223	-	-	(1,415,223)	-100.0%	
01 H1277 - OD 0 5 1								
Storm Utility SDC Fund	004 440	007.544	000 000	4 200 744	4 204 000	202.000	20.40/	
Resources	861,116	927,511	998,000	1,389,741	1,391,000	393,000	39.4%	
Requirements Materials and Services			100,000	95,000	200,000	100,000	100.0%	
Capital Outlay	25,658	1,770	798,000	93,000	791,000	(7,000)	-0.9%	
Transfers Out	20,000	-	-	_	400,000	400,000	N/A	
	25,658	1,770	898,000	95,000	1,391,000	493,000	54.9%	
Reserved - Future Expenditures			100,000	-		(100,000)	-100.0%	
·			.00,000			(100,000)	100.070	
Transportation SDC Fund								
Resources	-	-	3,005,000	4,908,000	6,280,000	3,275,000	109.0%	
Requirements								
Materials and Services	-	-	50,000	-	300,000	250,000	500.0%	
Capital Outlay	-	-	-	-	5,980,000	5,980,000	N/A	
Transfers Out		<u> </u>	150,000	-		(150,000)	-100.0%	
		<u>-</u>	200,000	<u>-</u>	6,280,000	6,080,000	N/A	
Reserved - Future Expenditures	-	-	2,805,000	-	-	(2,805,000)	N/A	
Deales CDC Frank								
Parks SDC Fund Resources	_	_	_		1,610,000	1,610,000	N/A	
Requirements	-	-	_	-	1,010,000	1,010,000	IN/A	
Materials and Services	-	_	_	_	200,000	200,000	N/A	
Capital Outlay	-	_	_	-	1,410,000	1,410,000	N/A	
Transfers Out	-	_		_	-	-	N/A	
	-	-	-	-	1,610,000	1,610,000	N/A	
Reserved - Future Expenditures		-	-	-		-	N/A	
		_	-		-			

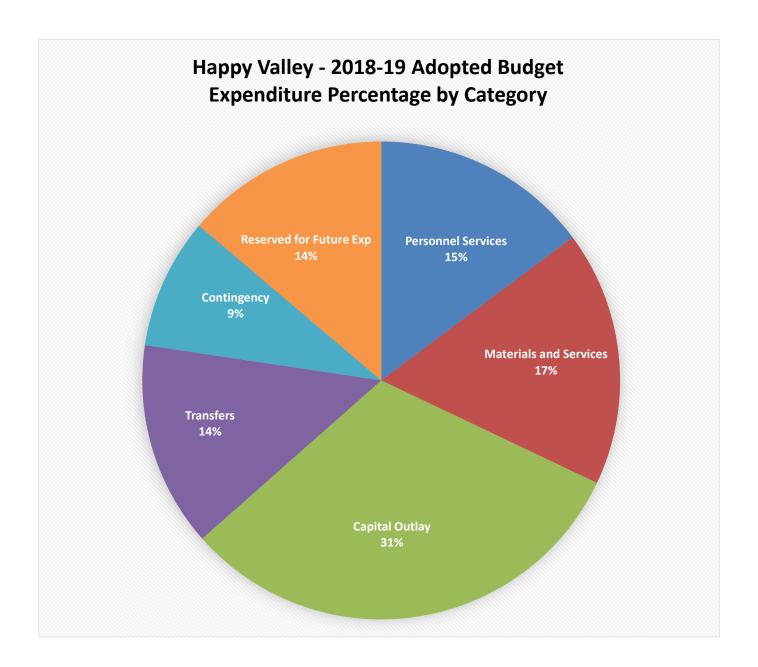
			Adopted		Adopted	Change from A	Adopted
	Preceding	Preceding	Budget	Estimate	Budget	2017-1	8
	2015-16	2016-17	2017-18	2017-18	2018-19	\$	%
Pedestrian Improvement Projects Fund							
Resources	887,695	922,826	982,068	885,051	900,000	(82,068)	-8.4%
Requirements							
Materials and Services	-	-	10,000	-	30,000	20,000	200.0%
Capital Outlay	39,375	109,875	925,708	50,000	852,000	(73,708)	-8.0%
Transfers Out	33,352	36,900	46,360	46,360	18,000	(28,360)	-61.2%
	72,727	146,775	982,068	96,360	900,000	(82,068)	-8.4%
Reserved - Future Expenditures	-	-	-	-	-	-	0.0%
Reserve for General Operations							
Resources	2,000,000	2,198,974	2,198,974	2,198,974	2,498,974	300,000	13.6%
Requirements							
Reserved - Future Expenditures	_	_	2,198,974	-	2,498,974	300,000	13.6%
·		-	2,198,974	-	2,498,974	300,000	13.6%
General Reserve for Replacement							
Resources	3,120,437	5,383,071	4,919,000	4,857,884	2,070,000	(2,849,000)	-57.9%
Requirements							
Materials and Services	238,539	159,608	665,000	155,000	665,000	-	0.0%
Capital Outlay	50,532	775,579	950,000	400,000	900,000	(50,000)	-5.3%
Transfers Out	· -	· -	2,842,900	2,842,900	· -	(2,842,900)	N/A
	289,071	935,187	4,457,900	3,397,900	1,565,000	(2,892,900)	-64.9%
Reserved - Future Expenditures	-	-	461,100	-	505,000	43,900	9.5%
Street Reserve for Replacement							
Resources	_	_	431,900	440,900	2,175,900	1,744,000	403.8%
Requirements			,	,	, ,		
Materials and Services	_	_	75,000	15,000	125,000	50,000	66.7%
Capital Outlay	_	_	356,900	-	500,900	144,000	40.3%
Capital Callay			431,900	15,000	625,900	194,000	44.9%
Reserved - Future Expenditures	-	-	-	-	1,550,000	1,550,000	N/A
Library Reserve for Replacement							
Resources	_	_	3,154,000	3,121,785	3,675,785	521.785	16.5%
Requirements			0,104,000	0,121,700	0,070,700	021,700	10.070
Materials and Services	_	_	150,000	_	150,000	_	0.0%
Capital Outlay	_	_	600,000	_	600,000	_	0.0%
, ,			750,000	_	750,000	-	0.0%
Reserved - Future Expenditures	-	-	2,404,000	-	2,925,785	521,785	21.7%
Parks Reserve for Replacement							
Resources	-	_	_	_	425,000	425,000	N/A
Requirements					.20,000	.20,000	14// (
Materials and Services	_	<u>.</u>	_	_	150,000	150,000	N/A
Capital Outlay	-	_	_		275,000	275,000	N/A
Suprial Sullay	<u> </u>		 -		425,000	425,000	N/A
Reserved - Future Expenditures	<u> </u>		<u> </u>	-	-	-	N/A
Facility Capital Projects Fund							
Resources	-	-	1,500,000	1,500,000	3,800,000	2,300,000	153.3%
Requirements							
Capital Outlay	-	-	1,500,000	-	3,800,000	2,300,000	153.3%
		-	1,500,000	-	3,800,000	2,300,000	153.3%

	Proceeding Proceeding				Adopted	Change from Adopted		
	Preceding	Preceding	Budget	Estimate	Budget	2017-18		
	2015-16	2016-17	2017-18	2017-18	2018-19	\$	%	
Parks Capital Projects Fund								
Resources	-	-	-	-	90,000	90,000	N/A	
Requirements								
Capital Outlay					90,000	90,000	N/A	
	-	-	-	-	90,000	90,000	N/A	
Reserve for Debt Service								
Resources	2,990,187	3,603,513	_	-		-	N/A	
Requirements	. ,							
Principal	220,000	3,530,000	-	-	-	-	N/A	
Interest	151,700	73,513	-	-	-	-	N/A	
	371,700	3,603,513	-			-	N/A	
Total Budget								
Resources	33,126,175	39,742,567	41,483,273	46,980,747	54,169,756	12,686,483	30.6%	
Requirements	, . ,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,	2,222,	, , , , , ,	-		
Personnel Services	5,753,449	6,424,825	7,125,600	6,844,000	8,019,900	894,300	12.6%	
Materials and Services	5,145,994	5,497,596	7,483,000	6,118,050	9,214,700	1,731,700	23.1%	
Capital Outlay	434,262	914,946	5,801,736	650,000	17,044,414	11,242,678	193.8%	
Debt Service	371,700	3,603,513	-	-	-	-	N/A	
Non-Departmental	-	32,786	30,000	5,000	80,000	50,000	N/A	
Transfers	2,929,855	4,748,964	7,595,675	7,445,675	7,533,000	(62,675)	-0.8%	
Contingency	-	-	3,872,988	-	4,797,983	924,995	23.9%	
Reserve for Future Exp	<u>-</u>	<u> </u>	9,384,297		7,479,759	(1,904,538)	-20.3%	
	14,635,260	21,222,630	41,293,296	21,062,725	54,169,756	12,876,460	31.2%	

Summary by Category - Happy Valley Expenditures

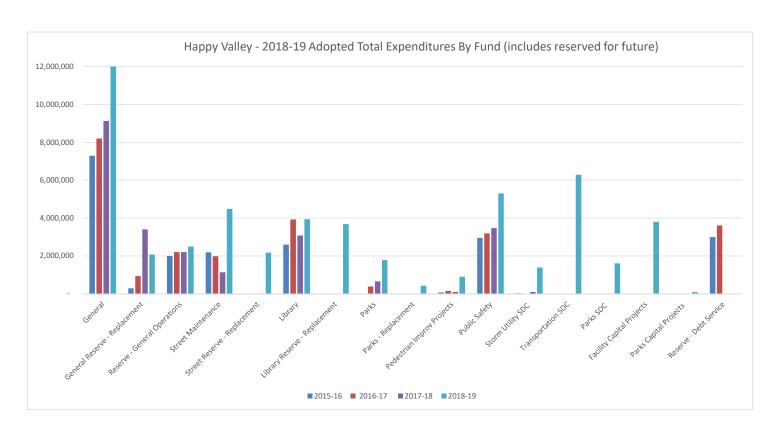
	Preceding 2015-16	Preceding 2016-17	Adopted Budget 2017-18	Estimate 2017-18	Proposed 2018-19	Approved 2018-19	Adopted 2018-19
Personnel Services	5,753,449	6,424,825	7,030,600	6,844,000	8,019,900	8,019,900	8,019,900
Materials and Services	5,145,994	5,530,382	7,193,000	6,123,050	9,369,700	9,369,700	9,294,700
Debt Service	371,700	3,603,513	-	-	-	-	-
Capital Outlay	434,262	914,946	6,071,736	650,000	17,044,414	17,044,414	17,044,414
Transfers	2,929,855	4,748,964	7,405,698	7,445,675	7,533,000	7,533,000	7,533,000
Contingency	-	-	3,872,988	-	4,797,983	4,797,983	4,797,983
Reserved for Future Exp	5,764,432	3,344,919	9,384,297	2,198,974	7,479,759	7,479,759	7,479,759
Total Requirements	20,399,692	24,567,549	40,958,319	23,261,699	54,244,756	54,244,756	54,169,756





Summary by Fund - Happy Valley Expenditures

			Adopted				
	Preceding	Preceding	Budget	Estimate	Proposed	Approved	Adopted
_	2015-16	2016-17	2017-18	2017-18	2018-19	2018-19	2018-19
General	7,289,591	8,198,929	11,596,502	9,128,000	13,820,157	13,820,157	13,820,157
General Reserve - Replacement	289,071	935,187	4,919,000	3,397,900	2,070,000	2,070,000	2,070,000
Reserve - General Operations	2,000,000	2,198,974	2,198,974	2,198,974	2,498,974	2,498,974	2,498,974
Street Maintenance	2,187,969	1,980,312	2,871,551	1,136,000	4,481,514	4,481,514	4,481,514
Street Reserve - Replacement	-	-	431,900	15,000	2,175,900	2,175,900	2,175,900
Library	2,593,623	3,924,735	4,122,000	3,081,925	3,941,502	3,941,502	3,941,502
Library Reserve - Replacement	-	-	3,154,000	-	3,675,785	3,675,785	3,675,785
Parks	-	385,392	920,450	648,150	1,779,700	1,779,700	1,704,700
Parks - Replacement	-	-	-	-	425,000	425,000	425,000
Pedestrian Improv Projects	72,727	146,775	982,068	96,360	900,000	900,000	900,000
Public Safety	2,950,866	3,191,962	4,593,851	3,464,390	5,305,224	5,305,224	5,305,224
Storm Utility SDC	25,658	1,770	898,000	95,000	1,391,000	1,391,000	1,391,000
Transportation SDC	-	-	3,005,000	-	6,280,000	6,280,000	6,280,000
Parks SDC	-	-	-	-	1,610,000	1,610,000	1,610,000
Facility Capital Projects	-	-	1,500,000	-	3,800,000	3,800,000	3,800,000
Parks Capital Projects	-	-	-	-	90,000	90,000	90,000
Reserve - Debt Service	2,990,187	3,603,513					
Total Requirements	20,399,692	24,567,549	41,193,296	23,261,699	54,244,756	54,244,756	54,169,756





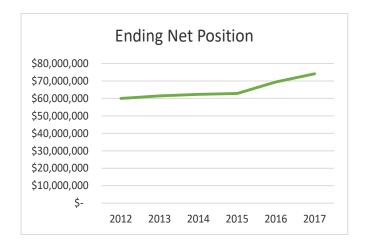
Demographics and Financial Trend Information

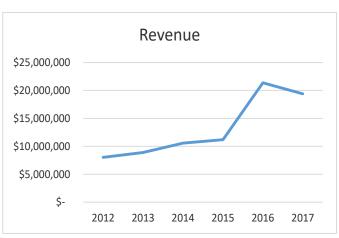
The charts and graphs below illustrate the positive economic cycle we are currently experiencing. We continue to see healthy amounts of development and building within the City which accounts for much of the revenue increases. Other factors include the increase in population which increases our proportionate share of state revenues and increases in assessed value which increase property taxes assessed and collected.

Net position increases are due to our continued diligence in keeping expenditures below revenues. This is done by creating efficiencies whenever possible. We expect the economic upturn to continue and this budget was created using that assumption.

The following information illustrates the change in net position and subsequent change in Ending Net Position for each year.

	2012	2013	2014	2015	2016		2017
Revenue	\$ 8,008,085	\$ 8,896,753	\$ 10,567,581	\$ 11,183,982	\$ 21,360,412	\$	19,387,830
Expenditures	(6,978,239)	(8,975,109)	(9,667,612)	(9,639,269)	(14,761,718)	((14,703,089)
Change in Net Position	1,029,846	(78,356)	899,969	1,544,713	6,598,694		4,684,741
Beginning Net Position	58,980,063	60,009,909	61,418,930	62,318,899	62,830,427		69,429,121
Prior Period Adjustment		1,487,377		(1,033,185)	-		_
Ending Net Position	\$ 60,009,909	\$ 61,418,930	\$ 62,318,899	\$ 62,830,427	\$ 69,429,121	\$	74,113,862

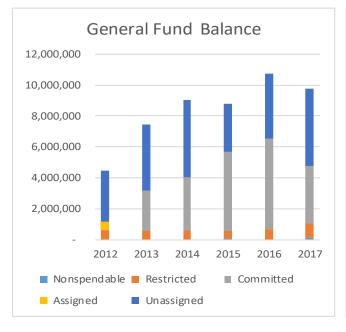


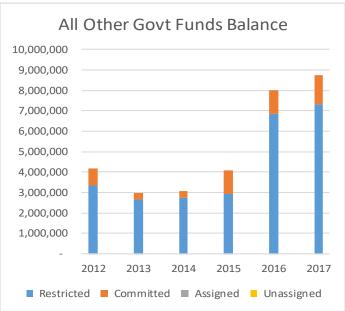




The following shows the various components of the General Fund ending fund balance as well as the various components of all other governmental funds combined from 2012 – 2017. The General Fund – Committed increases represented reserves for capital replacement and maintenance and amounts to counter the next economic downturn.

	Fiscal Year						
•	2012	2013	2014	2015	2016	2017	
Nonspendable	-	22,744	20,963	46,655	20,054	152,186	
Restricted	604,874	501,707	574,984	526,381	677,784	919,791	
Committed	-	2,645,793	3,413,463	5,132,372	5,860,117	3,688,533	
Assigned	537,122	-	-	-	-	-	
Unassigned	3,319,453	4,307,735	5,048,990	3,059,652	4,186,913	5,017,696	
Total General Fund	4,461,449	7,477,979	9,058,400	8,765,060	10,744,868	9,778,206	
	2012	2013	2014	2015	2016	2017	
Restricted	3,363,565	2,644,587	2,761,530	2,947,266	6,856,183	7,326,609	
Committed	836,210	328,419	313,914	1,145,945	1,145,945	1,415,222	
Assigned	-	-	-	-	-	-	
Unassigned	-	-	-	-	-	-	
Total All Other Govt Funds	4,199,775	2,973,006	3,075,444	4,093,211	8,002,128	8,741,831	







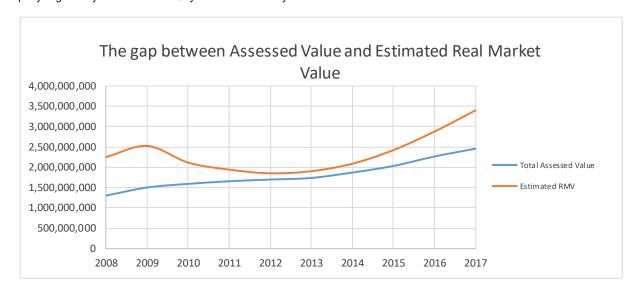
Also included are various charts and graphs as added information. Included are property values with a chart to illustrate the gap between assessed value and estimated real market value, tax rates including overlapping rates, ratios of outstanding debt, direct and overlapping activities debt, legal debt margin information, demographic and economic statistics, principal employers, and operating indicators by program related to Happy Valley. This information is included to help illustrate how financial information in the budget relates to services provided and activities performed by the City as well as provide information about the overall city environment both economic and demographic.

ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY

	Assessed Value					RMV			
Fiscal Year Ended June 30	Real Personal property		Manuf'd Public structure utility		Total assessed value	Total direct tax rate	Estimated real market value (RMV)	Assessed value as percentage of RMV	
2012	1,651,831,555	7,806,424	1,052,525	42,239,100	1,702,929,604	2.05	1,857,342,675	92%	
2013	1,694,660,433	6,990,997	1,174,223	40,380,600	1,743,206,253	2.05	1,909,870,958	91%	
2014	1,825,265,969	7,350,321	1,181,489	41,387,160	1,875,184,939	2.05	2,092,293,811	90%	
2015	1,983,949,205	7,168,002	1,652,341	45,110,200	2,037,879,748	2.05	2,423,646,555	84%	
2016	2,207,472,001	8,319,410	2,198,711	51,660,000	2,269,650,122	2.05	2,874,727,083	67%	
2017	2,398,435,939	8,482,412	2,283,394	53,606,800	2,462,808,545	2.05	3,393,208,454	73%	

Source: Clackamas County Assessor's Office

Note: Property is generally assessed as of July 1st of each fiscal year





Demographic and economic statistics

					Public	
Fiscal		Median	Household	Per Capita	School	Unemployment
Year	Population(1)	Age(1)	Income	Income (2)	Enrollment (3)	Rate(4)
2012	14,965	36	96,655	35,823	6,434	7.5
2013	15,575	37	92,773	36,978	6,516	6.0
2014	16,480	37	100,438	37,813	6,585	5.5
2015	17,510	37	100,508	40,613	6,859	5.2
2016	18,535	37	94,900	38,593	6,495	4.3
2017	19,985	37	101,250	38,358	6,877	3.9

Source: (1) U.S. Census Bureau.

- (2) North Clackamas School District; included all schools in City limits plus Clackamas High School.
- (3) State Department of Labor unemployment rate for the County (not seasonally adjusted).
- (4) State Department of Labor unemployment rate for the County (not seasonally adjusted).

PRINCIPAL EMPLOYERS

		2017	
			Percentage
			of Total City
<u>Em ployer</u>	Employees	Rank	Employment
Fred Meyer	279	1	9%
New Seasons Market	189	2	6%
Camp Withycombe	100	3	3%
City of Happy Valley	86	4	3%
Providence Medical Group Happy Valley	68	5	2%
McDonald's	50	6	2%
Abundent Life	50	7	2%
Applebee's Neighborhood Grill	42	8	1%
Glenmoore	38	9	1%
Premier Sport and Fitness	35	10	1%
	937		28%

Source: City business licenses

-	2012	2013	2014	2015	2016	2017
Governmental Activities						
Economic and Community Development						
Residential Building permits issued	158	276	350	274	418	190
Commercial Building permits issued	16	2	2	5	14	9
Public Works:						
Street Sweeping:						
Number of miles swept	2,500	3,000	2,200	2,500	1,800	1,592
Volume of material removed (cubic yards)	285	379	757	900	900	762
Winter Storms:						
Sand applied (cubic yards)	*	26	78	8	100	206
Sand picked up after storms	*	16	50	4	60	180
Magnesium chloride/De-icing (gallons)	4,125	2,100	7,500	900	2,750	8,735
Landscape Maintenance:						
Fertilizers (lbs)	*	150	1,110	2,239	0	0
Herbicides (gallons)	*	56	190	135	480	934
Park Reservations:						
Reservations coordinated	153	172	214	210	225	255
Number of people served	*	6,078	8,218	9,207	9,722	10,315
Trees planted	*	*	3,150	925	92	1,000
Services performed on fleet vehicles	*	80	146	170	190	190
Crack seal applied on roadways (tons)	4.25	2.25	6.60	4.50	13.75	7.50
Signs cleaned and adjusted	*	*	869	920	1,148	50
Community Services						
Passports issued	1,339	1,690	1,882	2,316	2,592	3,377
Public Safety:						
Code Enforcement / Animal Control Cases	2,023	2,768	2,453	2,108	3,168	3,042
Parking citations	547	637	389	306	461	585
Number dispatched calls for service	3,159	3,251	3,471	3,517	4,361	4,466
Number of traffic violations	2,158	1,849	2,145	2,588	3,079	2,623
Number of "other" self initiated activites	2,158	1,801	1,396	1,521	1,982	2,901
Numer of traffic stops	3,301	3,582	3,887	4,111	4,545	3,949
Library						
Circulation	654,150	707,958	762,069	800,944	793,476	787,888
Number of Reference Inquiries	19,580	17,930	17,452	17,868	27,219	26,889
Number of Youth Programs	87	214	225	299	401	398
Youth Program Attendance	4,145	7,581	9,807	14,127	16,163	19,015
Number of Adult Programs	3	48	91	180	197	241
Adult Program Attendance	331	587	877	2,103	2,892	3,730
-						

Source: Various City departments

^{*} Information unavailable at this time.

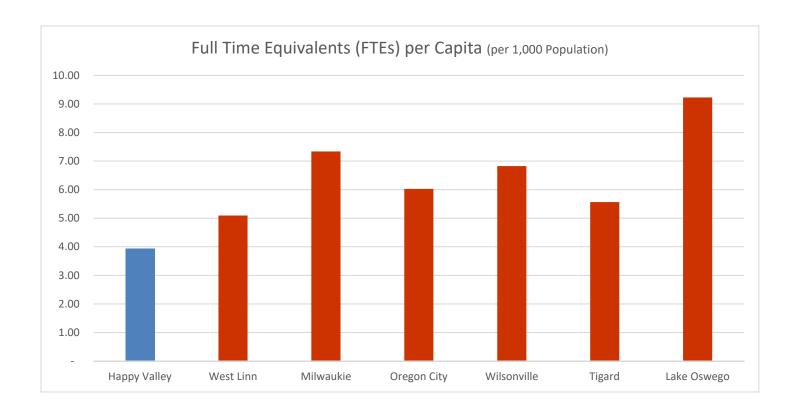


Personnel Overview

The following pages summarize salary and benefits for City employees. The following page is used to show the cost for each department and fund. It also shows the Full Time Equivalent (FTE) budgeted for each fund, each department, and the City as a whole. When reviewing FTE remember personnel costs are not apportioned between funds. A methodology was created to determine an amount each dedicated fund would transfer to the General Fund to cover personnel costs attributable to that fund.

Included in this budget is a 5.0% wage increase and a 9% benefit increase. The wage increase is composed of a 2.9% cost of living adjustment and a maximum 2.1% merit increase. Overall budgeted FTE increased 2.4 from the previous budget. This increase consists of 2.5 FTE in Parks and Recreation, .5 FTE increase in the Streets Fund, a decrease 1.0 FTE for Economic and Community Development and a decrease of 1.0 FTE for Community Services and Public Safety in the General Fund. There is also a 1.4 FTE increase in the Library Fund due to a better approximation of part time hours. Total FTE increased from 67.6 FTE in the 2017-18 budget to 70.0 FTE in this budget.

As the following chart shows, we continue to run a lean organization. The City operates with under 4 FTE per 1,000 population which is well below other similar sized organizations in the area. As personnel costs are the number one cost driver, we are very deliberate with our hiring and seek efficiencies elsewhere whenever possible.



COMPARING NUMBER OF CITY EMPLOYEES WITH OTHER CITIES Measured in Full-Time Equivalents (FTEs)

	City Employees by Department by City (FTEs)								
-	Нарру						Lake		
_	Valley	West Linn	Milwaukie	Oregon City	Wilsonville	Tigard	Oswego		
Service Departments									
Building Inspections	11.25	4.00	2.50	7.40	8.80	11.00	9.10		
Code Enforcement	3.00	-	1.50	5.68	-	1.00			
Engineering	4.25	4.50	12.00	6.31	10.50	16.00	24.50		
Library	17.00	16.63	18.01	15.40	16.56	35.42	33.70		
Municipal Court	2.00	3.00	2.50	4.46	1.65	3.50	3.50		
Parks and Recreation	4.50	21.25	-	36.60	16.20	12.17	46.70		
Planning	5.25	4.50	5.00	5.60	7.60	16.00	14.50		
Public Safety - Police	12.00	34.50	41.25	52.80	-	84.50	51.00		
Utility - Streets/Transportation	3.50	5.00	6.00	10.35	3.80	7.33	4.00		
Utility - Water	-	6.00	8.20	11.59	5.38	13.32	19.90		
Utility - Sewer/Wastewater and Storm	-	6.50	13.50	17.16	6.32	14.68	11.10		
<u>-</u>	62.75	105.88	110.46	173.35	76.81	214.92	218.00		
Support Departments									
City Attorney	_	1.00	1.00	_	3.70	_	4.00		
City Manager's Office	4.00	2.00	3.00	3.00	6.00	4.90	6.20		
City Recorder	1.00	2.00	3.00	2.00	-	3.85	1.00		
PW Administration	2.00	4.50	6.00	5.00	3.50	9.00	8.00		
Community Services / Public Affairs	5.00	1.00	2.00	1.00	-	4.25	1.00		
Economic Development	0.25	1.00	5.50	3.00	4.00	2.00	1.10		
Facilities Management	1.00	1.00	3.00	-	5.00	4.90	4.50		
Finance and Risk Management	3.00	4.80	8.50	11.25	9.31	18.10	10.10		
Fleet/Vehicle Management	1.00	1.50	3.00	2.00	7.60	2.35	2.00		
Human Resources	1.00	2.80	2.00	2.25	3.60	4.50	3.00		
Information Technology	1.00	3.00	3.00	3.50	5.50	8.00	9.50		
	19.25	24.60	40.00	33.00	48.21	61.85	50.40		
Common Full Time Equivalents (FTEs)	82.00	130.48	150.46	206.35	125.02	276.77	268.40		
Unique Services									
City Transit/Bus Service					37.00				
•	-	-	-	-	37.00	-	- 52.00		
City Pire Department	-	-	-	-	-	-	17.50		
City 911 Dispatch Service City Golf and Tennis	-	-	-	-	-	-	7.40		
City Gon and Termis City LO-Tigard Water Partnership	-	-	-	-	-	-	7.40		
Total Unique Services		<u> </u>			37.00		76.90		
Total Offique Services	-	<u> </u>	-	<u> </u>	37.00	-	76.90		
Full Time Equivalents (FTEs)	82.00	130.48	150.46	206.35	162.02	276.77	345.30		
Population _	20,800	25,615	20,510	34,240	23,740	49,745	37,425		
FTEs per Capita (per 1,000 of Population)	3.94	5.09	7.34	6.03	6.82	5.56	9.23		



Benefits

Benefits as offered to City employees can be found in the employee manual. Along with benefits required by law the City also offers employees other benefits including medical coverage through CIS Insurance. Employees have the option to choose between Regence Blue Cross and Kaiser Permanente. The costs for these benefits have been estimated to increase 9% for this budget. Full time employees pay 5% of the premium costs for medical and dental benefits.

The City provides a life insurance benefit for employees with a coverage amount of \$50,000. Employees can opt to have supplemental coverage for themselves and their families. The cost of any supplemental life insurance is paid by the employee.

Employees of the City are eligible to become members of the Public Employees Retirement System (PERS). The City pays the employer rate for member's pension share accounts as well as picks up the 6% contribution to the Individual Account Program. In this budget PERS employer contribution rates remained the same from the previous budget as they are the 2017-19 biennium rates. The Tier1 / Tier2 rate is 20.07% and the OPSPR rate is 14.02%.

A previous court ruling regarding PERS reform bills previously passed by the legislature, improvements in retiree longevity, and lowering the assumed earnings rate by the PERS board have led to increases in the system's unfunded actuarial liability. No bills were passed during the most recent legislative session to address the ongoing PERS issues. Without substantive changes PERS rates for employers are expected to rise over the next several biennia. Those increases will affect our budget and may require a revision of the amount in the Reserve for General Operations Fund.

The City provides a long-term disability insurance benefit for employees with coverage beginning after 90 days. The City also provides an accidental death and dismemberment (AD&D) benefit for employees with a coverage amount of \$15,000.

Following is information related to positions by department along with their respective FTE's and salary ranges.

2018-19 Adopted Budget - Positions

			Adopted		Proposed	Approved	Adopted		
			Budget	Estimate	Budget	Budget	Budget	Salary	Range
Department and Position	2015-16	2016-17	2017-18	2017-18	2018-19	2018-19	2018-19	Low	High
Administration									
City Manager's Office									
City Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	No range fo	r position
Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00	58,532	77,245
Assistant City Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	103,435	133,948
Program Technician	1.00	1.00	1.00	1.00	1.00	1.00	1.00	46,224	61,362
New Position	-	-	1.00	-	1.00	1.00	1.00	50,305	66,206
Finance and IT									
Finance Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00	99,455	133,223
Senior Accountant	1.00	1.00	1.00	1.00	1.00	1.00	1.00	62,907	82,622
Accountant I	1.00	1.00	1.00	1.00	1.00	1.00	1.00	52,959	69,369
Information Technology									
IT Administrator	1.00	1.00	1.00	1.00	1.00	1.00	1.00	67,460	88,390
Human Resources and City Record	ler								
City Recorder/HR Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00	81,417	112,856
Management Analyst/ City Recorder	1.00	1.00	1.00	1.00	1.00	1.00	1.00	64,425	85,808
	10.00	10.00	11.00	10.00	11.00	11.00	11.00		
conomic and Community Developmen	t								
Community Development Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00	104,609	138,35
Development Services Manager	-	-	-	-	1.00	1.00	1.00	82,240	107,94
Administrative Assistant III	1.00	1.00	1.00	1.00	1.00	1.00	1.00	44,623	58,20
Planning									
Planning Services Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	88,263	109,60
Assistant Planner	1.00	1.00	1.00	1.00	1.00	1.00	1.00	51,577	67,39
Associate Planner	1.00	1.00	1.00	1.00	1.00	1.00	1.00	59,497	77,61
GIS Tech	-	1.00	1.00	1.00	1.00	1.00	1.00	48,837	63,74
Engineering									
Engineering Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	82,121	107,84
Sr.Civil Engineer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	71,431	95,76
Engineering Technician	1.00	1.00	1.00	1.00	1.00	1.00	1.00	57,149	75,27
Associate Engineer	-	-	1.00	-	1.00	1.00	1.00	59,235	76,89
Building Inspection									
Building Official	1.00	1.00	1.00	1.00	1.00	1.00	1.00	82,269	108,06
Assistant Building Official		1.00	1.00	1.00	-	-	-	77,854	99,00
Administrative Assistant I		1.00	1.00	1.00	1.00	1.00	1.00	35,211	45,89
Permit Technician	3.00	3.00	3.00	2.00	2.00	2.00	2.00	47,080	60,92
Building Inspector I	2.00	1.00	1.00	1.00	1.00	1.00	1.00	56,689	74,13
Building Inspector II	2.00	2.00	2.00	2.00	2.00	2.00	2.00	61,757	80,25
Building Insp/Plans Examiner	1.00	1.00	1.00	1.00	1.00	1.00	1.00	64,850	84,13
Plumbing/Bldg Insp	1.00	1.00	1.00	1.00	1.00	1.00	1.00	61,756	80,25
	18.00	20.00	21.00	19.00	20.00	20.00	20.00		
Community Services and Public Safety									
Community Services				,	, ==		. ==	22.5==	48
Comm Svcs/Pub Safety Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00	92,850	124,120
Program Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	1.00	54,539	71,343
Program Technician	1.90	2.00	2.00	2.00	1.00	1.00	1.00	46,224	61,36

2018-19 Adopted Budget - Positions

2045 40		Budget	Estimate	Budget	Budget	Budget	Salary	Donge
2015-16	2016-17	2017-18	2017-18	2018-19	2018-19	2018-19	Low	Range High
1.00	1.00	1.00	1.00	1.00	1.00	1.00	39,335	51,35
1.00	1.00	1.00	1.00	1.00	1.00	1.00	35,211	45,89
1.00	1.00	1.00	1.00	1.00	1.00	1.00	57,654	83,18
2.00	2.00	2.00	2.00	2.00	2.00	2.00	57,654	75,62
1.00	1.00	1.00	1.00	1.00	1.00	1.00	44,096	63,25
								57,50
10.90	11.00	11.00	11.00	10.00	10.00	10.00	,	, , ,
1.00	1.00	1.00	1.00	1.00	1.00	1.00	93.681	121,98
								51,35
								68,66
								55,68
4.00	4.00	4.00	4.00	4.00	4.00	4.00	42,010	00,00
1.00	1.00	1.00	1.00	1.50	1.50	1.50	40 564	52,49
1.00	1.00	1.00	1.00	1.00	1.00	1.00	45,149	58,72
				1.00	4.00	4.00	F4 F20	74.0
-	-	-	-					71,34
2.00	2.00	2.00	2.00				46,224	61,36
2.00	2.00	2.00	2.00	2.00	2.00	2.00	45,149	58,72
								52,49
3.00	3.00	3.00	3.00	3.50	3.50	3.50	·	•
1.00	1.00	1.00	1.00	1.00	1.00	1.00	86,706	115,37
1.00	1.00	1.00	1.00	1.00	1.00	1.00	44,623	58,20
1.00	1.00	1.00	1.00	1.00	1.00	1.00	64,827	85,23
4.00	4.00	4.00	4.00	4.00	4.00	4.00	53,200	69,6
2.00	2.00	2.00	2.00	2.00	2.00	2.00	38,435	50,1
1.00	1.00	1.00	1.00	1.00	1.00	1.00	33,851	43,50
2.93	3.43	4.40	5.80	5.80	5.80	5.80	33,851	43,50
1.20	1.20	1.20	1.20	1.20	1.20	1.20	33,851	43,5
14.13	14.63	15.60	17.00	17.00	17.00	17.00	r	•
62.03	64.63	67.60	66.00	70.00	70.00	70.00		
59.13	61.63	62.00	59.00	63.00	63.00	63.00		
62.03	64.63	67.60	66.00	70.00	70.00	70.00		
<i>44</i> QN	47 00	49.00	44 00	45.00	45.00	45.00		
62.03	64.63	67.60	66.00	70.00	70.00	70.00		
	1.00 2.00 1.00 1.00 1.00 1.00 1.00 1.00	1.00	1.00 1.00 1.00 2.00 2.00 2.00 1.00 1.00 1.00 1.00 1.00 1.00 10.00 1.00 1.00 1.00 1.00 <td< td=""><td>1.00 1.00 1.00 1.00 2.00 2.00 2.00 2.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00</td><td>1.00 1.00 1.00 1.00 2.00 1.00 <td< td=""><td>1.00 1.00 1.00 1.00 1.00 2.00 <td< td=""><td>1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 2.00 1.00 <td< td=""><td> 100</td></td<></td></td<></td></td<></td></td<>	1.00 1.00 1.00 1.00 2.00 2.00 2.00 2.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00	1.00 1.00 1.00 1.00 2.00 1.00 <td< td=""><td>1.00 1.00 1.00 1.00 1.00 2.00 <td< td=""><td>1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 2.00 1.00 <td< td=""><td> 100</td></td<></td></td<></td></td<>	1.00 1.00 1.00 1.00 1.00 2.00 <td< td=""><td>1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 2.00 1.00 <td< td=""><td> 100</td></td<></td></td<>	1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 2.00 1.00 <td< td=""><td> 100</td></td<>	100



General Fund



General Fund

The General Fund accounts for all financial activities of the City except for those that by law or council decision are accounted for in other funds. The City's General Fund has five distinct departments: Administration, Community Services and Public Safety, Economic and Community Development, and Public Works.

Revenue Sources

The main sources of revenue in the General Fund are property taxes, franchise fees from utilities operating within the City, land use and construction fees, building permit fees, city's portion of various state shared revenues, municipal court fees, and intergovernmental revenue

Expenditures

The main expenditures within the five departments are personnel and materials and services. General Fund capital outlay is expended in the Reserve for Replacement Fund which receives revenue as a transfer from the General Fund.

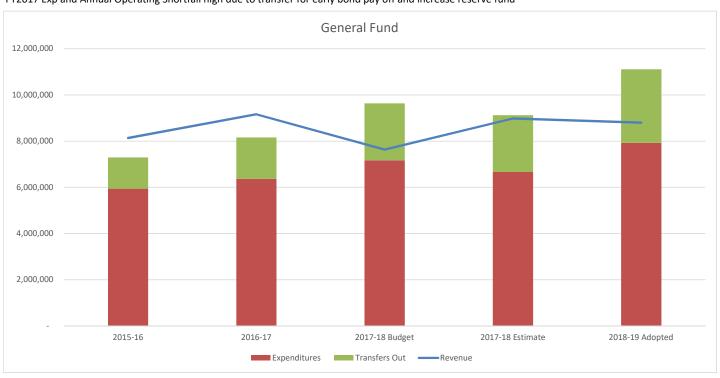
Budget for Fiscal Year 2018 - 2019

			Adopted			
	Prece	ding	Budget			
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted
Administration	2,061,437	2,352,090	2,641,000	2,840,100	2,840,100	2,840,100
Community Services and Public Safety	1,043,102	1,088,255	1,166,500	1,175,400	1,175,400	1,175,400
Economic and Community Development	2,057,876	2,351,234	2,613,100	3,128,700	3,128,700	3,128,700
Public Works	512,708	569,920	633,100	773,600	773,600	773,600
Parks	264,468	-	-	-	-	-
Non-Departmental	-	32,786	-	-	-	-
Transfers	1,350,000	1,804,644	2,280,023	3,200,000	3,200,000	3,200,000
Contingency	-	-	2,262,779	2,702,357	2,702,357	2,702,357
Total	7,289,591	8,198,929	11,596,502	13,820,157	13,820,157	13,820,157

General Fund

	Preceding	Preceding	Adopted				
			2017-18	2017-18	2018-19	2018-19	2018-19
_	2015-16	2016-17	Budget	Estimate	Proposed	Approved	Adopted
Revenue	8,134,170	9,161,844	7,630,775	8,977,275	8,801,000	8,801,000	8,801,000
Expenditures	5,939,591	6,361,499	7,168,700	6,658,000	7,917,800	7,917,800	7,917,800
·							
Transfers Out	1,350,000	1,804,644	2,470,000	2,470,000	3,200,000	3,200,000	3,200,000
-	•		, ,		, ,	, ,	· · · · ·
Annual Operating Surplus / (Shortfall)	844,579	995,701	(2,007,925)	(150,725)	(2,316,800)	(2,316,800)	(2,316,800)
3 1 (/	0.1,075	333,732	(2,007,020)	(133), 13)	(2)323,333)	(2)020,000,	(2,020,000)
Beginning Fund Balance	3,106,307	4,206,967	3,965,727	5,169,882	5,019,157	5,019,157	5,019,157
	3,100,307	1,230,307	3,303,727	3,103,002	3,013,137	3,013,137	3,013,137
Ending Fund Balance / Contingency	3,950,886	5,202,668	1,957,802	5,019,157	2,702,357	2,702,357	2,702,357
Enamy rana balance / contingency	3,330,000	3,202,000	1,337,002	3,013,137	2,702,337	2,702,337	2,702,337

FY2017 Exp and Annual Operating Shortfall high due to transfer for early bond pay off and increase reserve fund





General Fund Resources

General Fund

			Adopted		Proposed	Approved	Adopted
	Preceding	Preceding	Budget	Estimate	Budget	Budget	Budget
	2015-16	2016-17	2017-18	2017-18	2018-19	2018-19	2018-19
Resources							
Beginning Fund Balance	3,106,307	4,206,967	3,965,727	5,169,882	5,019,157	5,019,157	5,019,157
Property Taxes	1,476,614	1,611,397	1,650,000	1,822,000	1,985,000	1,985,000	1,985,000
State Shared Rev	437,432	500,284	530,000	630,000	620,000	620,000	620,000
ROW Use Fee	958,333	1,572,402	1,270,000	1,600,000	1,648,000	1,648,000	1,648,000
User Related Fees	304,075	315,638	240,000	320,000	290,000	290,000	290,000
Building Fees	2,292,980	1,735,331	950,000	1,180,000	1,000,000	1,000,000	1,000,000
Planning Fees	353,457	687,469	275,000	400,000	275,000	275,000	275,000
Engineering Fees	534,756	671,389	400,000	520,000	350,000	350,000	350,000
SDC Compliance	-	-	-	60,000	200,000	200,000	200,000
Traffic Fines	513,962	513,119	515,000	665,500	600,000	600,000	600,000
Court Related Fees	65,950	56,390	65,000	67,000	70,000	70,000	70,000
Intergovernmental	119,148	218,717	93,000	110,000	360,000	360,000	360,000
Misc Revenue	254,608	285,388	160,000	220,000	185,000	185,000	185,000
Transfers In	822,855	994,320	1,482,775	1,382,775	1,218,000	1,218,000	1,218,000
Total Revenues	8,134,170	9,161,844	7,630,775	8,977,275	8,801,000	8,801,000	8,801,000
Total Resources	11,240,477	13,368,811	11,596,502	14,147,157	13,820,157	13,820,157	13,820,157



General Fund Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

Property Taxes: The City's permanent tax rate is \$0.671 per thousand dollars and is levied on the assessed value of property within the City as determined under current state law. Includes taxes levied in prior years but collected in the current year.

State Shared Revenues: Includes 20% of liquor receipts distributed monthly to cities on a per capita basis with statutory authorization for distribution in ORS 471.810(a)(b) and 471.810(1)(d) and 14% of liquor revenues paid quarterly to cities based on formula outlined in the ORS 221.770. HB3601 passed in the 2013 Special Session and implemented January 1, 2014 raised the cigarette tax 13 cents. Although the tax per pack increased cities will not receive any additional proceeds. Two 2 cents of the \$1.31 per pack cigarette tax is distributed monthly to cities on a per capita basis with statutory authorization for distribution in ORS 323.445. Population estimates compiled each July by Portland State University's Center for Population Research are certified in January of the following year and thereafter govern the distributions. Cities are to receive 10% of marijuana state tax revenues. Distribution will be based on the number of licenses issued by OLCC in the previous year for premises located in each city, after administrative and enforcement expenses are deducted. The share will be based on the number of licenses for premises located in the city compared to the total issued by the OLCC for all premises in the state. Key statutes are ORS 475B.700-.710, and .760. These state shared revenues may be used for general city operations.

ROW Use Fees: Revenues related to right of way ordinance. Fees are calculated on revenues earned within the City limits.

User Related Fees: Includes fees paid to operate within or use services provided by the City. These include facility rental charges, cell phone tower rental fees, bi-annual alarm permits, late payment and false alarm assessments, burn permits, registration fee for any dog 6 months or older, fees to operate a business within the City, local marijuana tax revenue, fee for passport photos and process filing for US Customs, and Metro business license program revenue.

Building Permit Fee: Residential and commercial, new and remodel inspection permits. Plan review for residential and commercial buildings including commercial buildings requiring a fire life safety plan. Permits and fees for mechanical inspection, plumbing inspection, and single lot erosion control. Other building permits not listed above such as: re-inspection, statewide Minor Label program revenue from the State of Oregon for performing plumbing and mechanical inspections, septic tank or sewer line abandonment, connection of public lateral to private homeowner sewer, residential construction sidewalk and driveway approach inspection, and certificates of occupancy.



General Fund Resources

Planning Fees: Includes all categories of development fees including fees by type of application and fees associated with a cost per lot to be developed. Fees are set to cover staff time and all related costs.

Engineering Fees: Includes fees to cover improvement plan review, overall development, erosion sediment control plan review, and periodic construction supervision of public improvements by the City to ensure compliance with National, State, Regional, and City standards.

SDC Compliance: Per the adopted SDC methodology, 5% of Transportation and Parks SDC's goes to the General fund for the administration of the SDC programs.

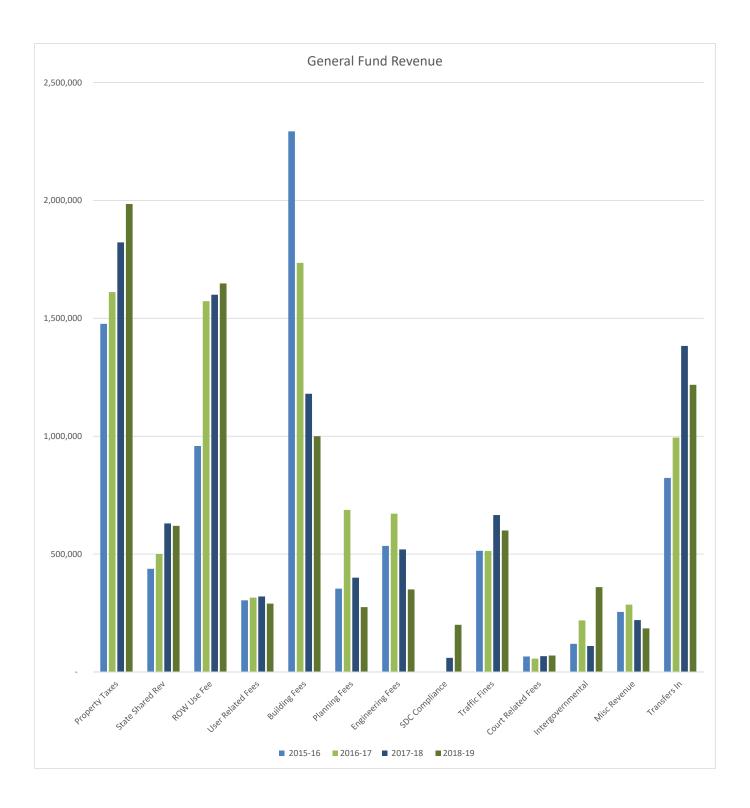
Traffic Fines: Fines imposed in the Happy Valley Municipal Traffic Court.

Court Related Fees: Includes state and county fees associated with Traffic Court fines, municipal code violation fines, traffic safety class for persons who commit minor traffic infractions, fee to review variance applications and monitor for non-compliance issues.

Intergovernmental: Revenue from other municipalities or governmental agencies such as solid waste franchise fees, 5% of Metro Construction Excise tax, 3% of North Clackamas School District Construction Excise Tax and fees to cover administrative costs, payments from other jurisdictions for code enforcement, building inspection, street sweeping services provided, and grant revenue received from other municipalities or governmental agencies.

Misc Revenue: Includes but not limited to: unanticipated income for copy fees, refunds, donations, interest income from cash in the Local Government Investment Pool, grant revenue received from other than governmental agencies.

Transfers In: From other funds to cover respective portion of allocated costs associated with administration.





General Fund

Administration



General Fund

Administration

Manager: Jason Tuck, ICMA-CM

Administration consists of the Office of the City Manager, Human Resources, City Recorder, Risk, Finance, and Information Technology.

City Manager

The Office of the City Manager is responsible for governmental coordination/cooperation, program evaluation/management, management of City staff, Council coordination/communication, special project management, implementation of Council goals and policies, fiscal responsibility/transparency, and franchise agreement negotiation/administration.

Staff members include City Manager, Assistant City Manager, Policy Analyst, Executive Assistant.

Human Resources/Risk Management

Human Resources is responsible for ensuring comprehensive competitive benefit packages, providing strategic interaction with departments to attract, hire, and retain top candidates for each position, work collaboratively to provide the best outcomes to challenges related to employees as they occur.

Staff members include Human Resources Manager.

City Recorder / Risk Management

The City Recorder is responsible for the maintenance of official Ordinances and Resolutions and records pertaining to the City Council, liaison with the Clackamas County Recorder's Office, as well as all archival responsibilities for City records. The City Recorder also acts as the Elections Officer, ensuring all applicable laws are adhered to during the course of all elections within the City.

Risk management includes 1) identification of risk 2) risk assessment including minimizing exposures wherever practicable 3) transfer of risk utilizing risk management and insurance strategies 4) implementation and ongoing monitoring of the risk management plan 5) review and revision as needed. Administration and evaluation of Contracts, Intergovernmental Agreements, Bonds and other forms of financial guaranty which the City regularly requires for both developments within the City, as well as for projects initiated by the City Council. Management of the City's insurance program including Property, Casualty, and Workers' Compensation.

Staff members include City Recorder.



General Fund

Administration

Information Technology

Information Technology manages City servers, WAN and LAN, computer and peripheral equipment, all software programs tailored specifically to meet the varying needs of staff.

Staff members include IT Administrator.

Finance Department

Finance is responsible for management of all financial aspects in accordance with generally accepted accounting principles and Federal and State regulations, maintenance of automated systems to provide useful accurate financial information to internal and external users, creation of annual budget per local budget statutes, creation of financial statements, management of annual audit process, manage banking and investments.

Staff members include Finance Director, Senior Accountant, Accountant.

Budget Summary:

	Prece	Preceding		Budget For Fiscal Year 2018 - 2019				
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted		
Personnel Services	1,067,367	1,295,884	1,407,000	1,545,100	1,545,100	1,545,100		
Material and Services	994,070	1,056,206	1,234,000	1,295,000	1,295,000	1,295,000		
Total	2,061,437	2,352,090	2,641,000	2,840,100	2,840,100	2,840,100		



Goals and Priorities

General Administration

- Evaluate and take over retail sewer and storm water retail services from CCSD#1.
- Continue to support the establishment of a parks and recreation program.
- Evaluate and implement a transient lodging tax.
- Prioritize Capital Improvement Projects Prioritization

Information Technology

- Ensure all systems are running the same updated versions of Windows and Office.
- Migrate all personal (U) drive folders to individual OneDrive accounts for reduced storage needs and ease of sharing information with others.
- Begin piloting of Microsoft Teams for internal and external communications.
- Develop a pilot for using Microsoft SharePoint for internal information and documents.
- Continue the rollout and development of the Laserfiche system with new city forms and processes.
- Continue the implementation of Microsoft Azure for cloud-based management and control of mobile and desktop systems.
- Pilot using Microsoft Windows tablets out in the field for the Building Division.

Finance

- Create comprehensive internal control document and review all financial policies and compare to GFOA best practices.
- Develop a process in Laserfiche to assign and track purchase order numbers.
- Create or implement process for online payments.
- Gain better understanding of utility billing and customer service by:
 - o Determining if Incode X will meet the City's needs;
 - Meeting with other cities that use Incode X and do utility billing to see how they
 use it and if they are satisfied with the product; and
 - Understanding the statutes related to utility billing and how that will impact Finance.
- Gain better understanding of Budget Management tools available in Incode.

Human Resources, City Recorder, Risk Management

- Conduct supervisory training for all managers.
- Create and implement annual Employee Performance Reviews.
- Utilize the Laserfiche capabilities for electronic personnel files.
- Develop and implement a comprehensive onboarding experience for new employees.
- Implement an application tracking system.
- Continue to work towards digitization of records to clear out storage rooms and improve document searchability.
- Transform processes so the City doesn't continue to take in large volumes of paper documents.
- Maintain involvement in both the Safety and Wellness Committees to promote a safe workplace and healthy workforce.

General Fund - Administration

	Preceding 2015-16	0		Adopted Budget Estimate 2017-18 2017-18		Approved Budget 2018-19	Adopted Budget 2018-19
Personnel Services FTE Positions	10.0	10.0	11.0	10.0	11.0	11.0	11.0
Wages	\$ 741,815	\$ 849,372	\$ 956,700	\$ 935,000	\$ 973,400	\$ 973,400	\$ 973,400
Benefits	325,552	446,512	450,300	490,000	571,700	571,700	571,700
Total Personnel Services	1,067,367	1,295,884	1,407,000	1,425,000	1,545,100	1,545,100	1,545,100
Materials and Services							
Office Supplies	71,905	61,819	80,000	60,000	95,000	95,000	95,000
Professional Development	122,361	125,848	160,000	118,000	160,000	160,000	160,000
Utilities	105,311	118,138	140,000	130,000	150,000	150,000	150,000
Public Accountability	31,922	34,726	37,000	35,000	40,000	40,000	40,000
Repairs & Maintenance	16,911	6,866	17,000	20,000	25,000	25,000	25,000
Facility & Office Service Contracts	150,008	197,387	160,000	190,000	210,000	210,000	210,000
Public Outreach	177,631	174,407	160,000	160,000	100,000	100,000	100,000
General Operating	187,532	136,136	180,000	160,000	180,000	180,000	180,000
Legal	127,509	172,132	200,000	60,000	200,000	200,000	200,000
Contract Services	2,980	28,747	100,000	75,000	135,000	135,000	135,000
Total Materials and Services	994,070	1,056,206	1,234,000	1,008,000	1,295,000	1,295,000	1,295,000
Total Administration	\$ 2,061,437	\$ 2,352,090	\$ 2,641,000	\$ 2,433,000	\$ 2,840,100	\$ 2,840,100	\$ 2,840,100



General Fund

Expenditures, Administration

Personnel:

Wages: City Manager, Assistant City Manager, Finance Director, Human Resources Manager, City Recorder/Policy Analyst, Executive Assistant, Senior Accountant, Accountant, IT Administrator, Policy Analyst, Management Analyst.

Benefits: Unemployment claims, retirement incentives, employer portion of FICA and Tri-met taxes, medical and dental benefits (employees pay 5% of premium costs), life and disability insurance, payments to PERS system for both the employer percentage and 6% employee portion, and workers' compensation insurance pooled through the League of Oregon Cities.

Materials and Services:

Office Supplies: General office supplies, postage, computer and technology items less than \$5,000.

Professional Development: Training, travel, and meals related to City business, annual membership and professional organization dues, certifications, subscriptions, and books for staff budgeted under Administration and City Council.

Utilities: All utilities including gas, electricity, trash, recycling, phone services, water, storm, and sewer for all City facilities excluding the Library and Community Policing Center.

Public Accountability: Legal notices, website hosting of Municipal Code, financial audit, city recorder fees.

Public Outreach: Costs associated with City events, expenses for City sponsored events with other civic entities, community events, social media, newsletter (portion allocated to the Public Safety Fund), tourism, annexation program, merchandise for sale with the City logo, and Youth Council.

Repairs and Maintenance: Repairs, improvements, maintenance, and cleaning supplies for the City Hall building and systems.

Facility and Office Service Contracts: Annual maintenance and service contracts related to the City's facilities and operations. This includes the accounting system, internet services, website, document management, network, computer software, facility access and security, elevator, HVAC, landscape, and janitorial services maintenance agreements.

General Operating: Property, General Liability Automobile, banking fees, title search fees, other miscellaneous fees, costs associated with recruiting and hiring, and employee recognition and appreciation programs.

Legal: Legal expenses pertaining to all General Fund departments.

Contract Services: Services required beyond the scope of staff and items requested by Council.



General Fund

Community Services/Public Safety Department



General Fund

Community Services and Public Safety

Manager: Steve Campbell

Community Services and Public Safety consists of Police, Emergency Management, Code Enforcement, Animal Control, Municipal Court/Juvenile Diversion and Public Information & Services.

Police/Emergency Management

Police/Emergency Services works in coordination with the Clackamas County Sheriff's Office and Clackamas Fire District #1 for public safety and emergency services, oversees the police contract including; police staffing, mission/goals and general police services. Maintain safety through prevention of events that could endanger the safety of the public, maintain crime prevention programs, coordinate public forums (Traffic & Public Safety Committee) for citizens to address safety concerns, develop Emergency Operations Plan, Hazard Mitigation Plan and Continuity of Operations Plan, serve as Emergency Manager, serve as Incident Commander when Emergency Operations Center enacted.

Staff members include Community Services and Public Safety Director.

Code Enforcement & Animal Control

Municipal code enforcement, and animal control enforcement occurs through its code officers and volunteers with prompt, professional response to complaints and strives to increase code compliance through pro-active enforcement and effective communication and mediation with citizens, businesses, builders/developers and neighbors. Officers and volunteers utilize the code compliance function as early detection mechanism for other problem situations that may be present in the neighborhood. Oversees the crime prevention program and crime watch volunteers to patrol parks, schools and open spaces. Reconnect lost or found animals with their owners through licensing records and chip ID recognition. Investigates animal neglect and abuse complaints. Educate owners about animal laws regarding the benefits of a properly licensed pets.

Staff members include Code Enforcement Supervisor, Code Enforcement Officers (2).

Municipal Court / Juvenile Diversion

Administers judicial resolution of minor traffic and parking violations, minors in possession of alcohol and tobacco and City ordinance infractions. Court staff oversees the administrative duties of enrollment, instruction and compliance monitoring of its traffic safety and fireworks diversion classes to those who qualify for this educational component of the court process. Court staff resolve specified offenses through compliance, diversion, or non-contested payment. Juvenile Diversion grants low level youth offenders the opportunity to perform community service.

Staff members include Court Clerks (2).



General Fund

Community Services and Public Safety

Public Information & Services

Serve as the bridge between our city government, local media, citizens and the business community. Serve as the Public Information Office, manage the newsletter, press releases, community radio station, city website, and City social media. Serve as liaison to the Happy Valley Business Alliance. Oversee Happy Valley Youth Council program, tourism program, passport services program, residential tree permits, business licenses, special event permits, filming permits, alarm permits, burn permits and animal licensing. Organize community events such as National Night Out, Safety Fair, and Dumpster Day. Provide assistance for major, profit and non- profit events, HOA liaison to share knowledge regarding city ordinances and other neighborhood issues. Coordinates school activities involving the city government, manages the city's volunteer program including blood drives and community service projects. Manages the solid waste franchise, city store and marketing.

Staff members include Administrative Assistant (2), Program Technicians (2).

Budget Summary:

	Prece	Preceding		Budget For Fiscal Year 2018- 2019				
	2015-16	2016-17	2016-17	Proposed	Approved	Adopted		
Personnel Services	992,484	1,035,193	1,094,000	1,098,900	1,098,900	1,098,900		
Material and Services	50,618	53,062	72,500	76,500	76,500	76,500		
Total	1,043,102	1,088,255	1,166,500	1,175,400	1,175,400	1,175,400		

Goals and Priorities

Community Services

- Increase the number of Twitter followers by 50% over the next year.
- Increase the number of Parks and Rec followers by 80% over the next year.
- Develop branded materials for use by City staff members.
- Complete next phases of City Communications Plan.
- Attend emergency management training.
- Attend communication/social media training.
- Host communications training for local Metro Cities.
- Establish online payment availability for dog licenses, business licenses, alarm permits, and park reservations.
- Continue advertising passport services. Revisit passport hours.



- Establish additional Veterinary clinics to join Happy Valley Vendor Dog License program.
- Continue monitoring Oregon compliance for enhanced driver's license for the REAL ID Act. If Oregon continues receiving extensions this could increase the number of passport applications at City Hall.
- Continue working on scanned documents into Laserfiche for record retention requirements.

Code Enforcement

- Provide a coordinated "Welcome to the City" program to include Business License & Alarm Permit information.
- Increase vendors in Vet License Program.
- Draft and implement a program to remove residential outdoor burning (5-year plan).
- Update the IGA with County Dog Shelter.
- Train Code Enforcement Officers in Emergency Management & Crime Prevention.
- Conduct Neighborhood Watch Updates and refresh database.

Municipal Court

- Research costs associated with implementation of an electronic parking ticketing software system.
- Conduct feasibility study of bringing some low-level Misdemeanors to the Municipal Court for consideration on reducing the crime to a Violation level status.
- Finalize the e-conviction process in cooperation with Oregon Department of Transportation.

General Fund - Community Services and Public Safety

	Preceding 2015-16	Preceding 2016-17	Adopted Budget Estimat 2017-18 2017-18		Proposed Budget 2018-19	Approved Budget 2018-19	Adopted Budget 2018-19
Personnel Services FTE Positions	10.0	11.0	11.0	11.0	10.0	10.0	10.0
FIE POSITIONS	10.0	11.0	11.0	11.0	10.0	10.0	10.0
Wages	\$ 634,170	\$ 668,923	\$ 700,100	\$ 695,000	\$ 692,300	\$ 692,300	\$ 692,300
Benefits	358,314	366,270	393,900	400,000	406,600	406,600	406,600
Total Personnel Services	992,484	1,035,193	1,094,000	1,095,000	1,098,900	1,098,900	1,098,900
Materials and Services							
CSPS Supplies	5,537	6,345	6,500	5,500	6,500	6,500	6,500
Professional Development	11,915	20,127	27,000	27,000	30,000	30,000	30,000
Public Safety Related	33,166	26,590	34,000	27,000	35,000	35,000	35,000
Contract Services	-	-	5,000	-	5,000	5,000	5,000
Total Materials and Services	50,618	53,062	72,500	59,500	76,500	76,500	76,500
Total Community Services and Public Safety	\$ 1,043,102	\$ 1,088,255	\$ 1,166,500	\$ 1,154,500	\$ 1,175,400	\$ 1,175,400	\$ 1,175,400



General Fund

Expenditures, Community Services and Public Safety

Personnel:

Wages: Director of Community Services and Public Safety, Code Enforcement Supervisor, Code Enforcement Officer (2), Court Clerk (2), Administrative Assistant (2), Program Technician (2).

Benefits: Items paid from these line items include: Unemployment claims as the City is self-insured for unemployment, any retirement incentives offered, FICA and Tri-met taxes paid by the City, medical and dental benefits paid for employees (employees pay 5% of the premium costs), life, and disability insurance, payments into the PERS system for both the employer percentage and the 6% pick up employee portion.

Materials and Services:

- **CSPS Supplies:** Supplies other than Office Supplies needed for the various functions included in this department as well as equipment below the capital item threshold. Includes but not limited to items to provide photo passport and process filing for US Customs and supplies needed in case of emergencies as stipulated in grant agreements.
- **Professional Development:** Training, travel, and meals related to City business, annual membership dues to professional organization, certifications, subscriptions, and books for staff. Training in code enforcement, emergency services, animal control, and any of the various services provided by the department.
- **Public Safety Related:** Lodging costs associated with non-licensed animals found in the City per requirement the City shelter animals in custody. Judge for Municipal Court sessions, translation services including signing to aid communication between defendants and court staff, student books and materials for Driver Safety Classes, and City's portion of costs for administering juvenile diversion program.
- **Contract Services:** Contract services for nuisance abatement. The City contracts services to remove nuisances on private property if court ordered abatement fails.



General Fund

Economic and Community Development Department



General Fund

Economic and Community Development

Manager: Michael D. Walter, AICP

The Economic and Community Development Department consists of three divisions, the Planning & Economic Development Division; the Engineering Division; and, the Building Division. Each has specific responsibilities, though many are inter-departmental responsibilities in relation to development reviews.

Planning and Economic Development Division

Guide residential, institutional, commercial and industrial growth to facilitate improvement of quality of life of our residents. Provide information and assistance to developers and the general public about development requirements, the planning process, and Planning Commission and City Council procedures. Optimize land development, confirm compliance with adopted land use regulations and policies, and ensure development projects enhance the functional and visual characteristics of the community. Provide technical review of preliminary and final subdivision plats, design review, transportation planning, environmental planning, landscape plan review, annexations, development agreements, and long range planning. Coordinate planning and economic development efforts with other city departments and local, regional, and state planning agencies and organizations. Review, research, and update our Comprehensive Plan and Land Development Code to be certain it meets the goals prescribed by regional and state planning agencies as well as the City Council. Promote the development and expansion of commercial, industrial and health care sector businesses. Promote the annexation of properties in order to provide future economic development opportunities and residential growth.

Staff members include the Economic and Community Development Director, Development Services Manager, Planning Services Manager, Associate Planners (2), Planning Assistant, and a GIS Technician.

Engineering Division

Oversee construction and improvement of city facilities and infrastructure, provide public works related inspections, review plans, monitor construction activities, and submit grant applications. Provide strategic planning related to new development, transportation improvements, utilities, city-supported public works programs and capital improvement projects in conjunction with other city departments. Provide city residents a high level of customer service relative to street construction, improvements, maintenance and repairs, and public rights-of-way. Coordinate surface water issues with Clackamas County Water Environment Services (WES). Coordinate with the Traffic and Public Safety Committee, City Traffic Engineer, Code Enforcement, and Public Works Director regarding the installation and maintenance of signage and traffic control devices within public rights-of-way. Coordinate with Public Works on street cleaning including; sweeping, debris pick-up and hazardous spill removal coordination, and MS4 reporting. Review construction plans for compliance with national, regional and city standards and oversee construction and improvement projects relative to new development and growth within the city limits.



General Fund

Economic and Community Development

Oversee capital, upgrade, and public improvement projects within the public rights-of-way, utilizing System Development Charges for capital projects. Update Street Inventory Pavement Management Program and conduct feasibility studies regarding street pre-design. Work with the other departments relative to new site development, code compliance, and final plat review to assure compliance with conditions of approval. Maintain and updates as necessary the City's Construction Design Standards.

Staff members include the Engineering Manager, Civil Engineer, Engineering Technician and Associate Engineer.

Building Division

Provide code administration, inspection, plan review and permit services integral to the safe and effective construction of structures in the City. Services provided to architects, engineers, contractors, and members of the public who need code interpretation of various specialty codes. Maintain updated copies of Oregon's construction codes and rules for use within the jurisdiction. Ensure organizations are operating in compliance with appropriate laws, individuals are properly licensed, and products meet legal specifications. Permit and inspection services provided for structural, mechanical, electrical, and plumbing permits. Issue permits to administer and enforce the state's building codes including plan review for construction. Recognize and meet the work plan and program standards mandated through the Tri-County Service Board (State of Oregon Building Codes Division Northwest Regional Office). Issue timely building permits for construction projects following submission of complete permit applications and plans. Accomplish all requested building inspections within 24 hours of date of request. Respond to public concerns within 48 hours from date received. Provide inspection services and plan review to the City of Milwaukie and City of Oregon City per existing Intergovernmental Agreements. Allow for, facilitate, and encourage alternate methods of construction and or materials. Provide code resources for architects, engineers, building contractors and homeowners. Uniformly administer and enforce the state building codes, city ordinances and policies that set standards for construction.

Staff members include the Building Official, Plumbing/Building Inspector, Plans Examiner, Building Inspectors (3), Building Permit Technicians (2) and an Administrative Assistant.

Budget Summary:

			Adopted	Budget For Fiscal Year 2018 - 2019			
	Prece	Preceding					
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted	
Personnel Services	1,735,987	1,980,920	2,278,100	2,482,700	2,482,700	2,482,700	
Material and Services	321,889	370,314	335,000	646,000	646,000	646,000	
Total	2,057,876	2,351,234	2,613,100	3,128,700	3,128,700	3,128,700	



General Fund

Economic and Community Development

Goals and Priorities

Planning and Economic Development Divisions

- Coordinate with Clackamas County on the UGMA East; DTD IGA Update; and, Water Environment Services (WES) IGA Update.
- Continue work on the integrated land use and transportation plan known as the "Pleasant Valley-North Carver Comprehensive Plan".
- Implement adopted TSDC IGA and TSDC Program working with the City's Building Division and Finance Department.
- Continue processing annexation petitions from property owners in the greater Happy Valley area.
- Continue progress on the City's Construction Excise Tax (CET) grant program working toward "development ready" status for properties in the Rock Creek Employment Center area.
- Develop Economic Development Strategic Plan and Implementation of Tax Abatement Program.
- Continue refinement and expansion of the City's web-based "Projects Map" to illustrate proposed/under construction developments, including their location, size and staff report details.
- Continue training on use of a City-purchased drone to capture aerial video and photographs, with the goal of having a staff person become an "FAA Certified" drone (unmanned aircraft system) pilot.
- Continue to assist and process development applications related to the Eagle Landing Master Plan.
- Continued implementation of the City's annexation program for industrial, commercial
 and residential lands within the Urban Planning Area as outlined in the Urban Growth
 Management Agreement (UGMA) primarily to the west/south, including a potential Annexation Plan for areas north of Sunnyside Road.

Engineering Division

- Continue to provide inspection of right of way permit sites and smaller construction proiects.
- Continue to provide engineering conditions of approval and plat review for Land Use Applications.
- Continue to provide erosion and sediment control inspections for development projects.
- Continue to coordinate consultant inspection and design services with Curran McLeod.
- Continue to coordinate internal MS4 data that is provided to WES for DEQ reporting.



General Fund

Economic and Community Development

Building Division

- Streamline permit turn-a-round process for residential permits (2 weeks if less than 10 permits/month, 3 weeks if more than 10 permits/month).
- Meet with each homebuilder to discuss our electronic permit system and assist them on how to better use the system.
- Continue implementation of electronic plan review for residential and commercial projects.
- Improve website by adding code & inspection checklists, and a Q& A section.
- Implement an archive system using Laserfiche.
- Complete a feasibility study to see if the Building Division should as take over the electrical permit and inspection program (currently done by contract with Clackamas County).
- Have staff complete the 3-hr online FEMA Introduction to Incident Command System class.
- Complete an improved erosion control "best practices" pamphlet to give to residential builders.

General Fund - Economic & Community Development

	Preceding 2015-16	Preceding 2016-17	Adopted Budget 2017-18	Estimate 2017-18	Proposed Budget 2018-19	Approved Budget 2018-19	Adopted Budget 2018-19
Personnel Services							
FTE Positions	18.0	19.0	21.0	18.0	20.0	20.0	20.0
Wages Benefits	\$ 1,162,711 573,276	\$ 1,303,151 677,769	\$ 1,526,300 751,800	\$ 1,315,000 740,000	\$ 1,564,100 918,600	\$ 1,564,100 918,600	\$ 1,564,100 918,600
Total Personnel Services	1,735,987	1,980,920	2,278,100	2,055,000	2,482,700	2,482,700	2,482,700
Materials and Services							
ECD Supplies	2,636	4,068	9,000	2,000	9,000	9,000	9,000
Professional Development	18,372	27,152	26,000	35,000	37,000	37,000	37,000
Contract Services	300,881	339,094	300,000	250,000	350,000	350,000	350,000
Contract Services - Metro Grant	-	-	-	-	250,000	250,000	250,000
Total Materials and Services	321,889	370,314	335,000	287,000	646,000	646,000	646,000
Total Economic & Community Development	2,057,876	2,351,234	2,613,100	2,342,000	3,128,700	3,128,700	3,128,700



General Fund

Expenditures, Economic and Community Development

Personnel:

Wages: Economic and Community Development Director, Planning Services Manager, Associate Planner (2), Planning Assistant, GIS Technician, Engineering Manager, Civil Engineer, Engineering Technician, Building Official, Assistant Building Official, Plumbing/Building Inspector, Plans Examiner, Building Inspectors (4), Building Permit Technicians (3) and Administrative Assistant.

Benefits: Items paid from these line items include: Unemployment claims as the City is self-insured for unemployment, any retirement incentives offered, FICA and Tri-met taxes paid by the City, medical and dental benefits paid for employees (employees pay five percent of the premium costs), life, and disability insurance, payments into the PERS system for both the employer percentage and the six percent employee match.

Materials and Services:

ECD Supplies: Supplies other than Office Supplies needed for the various functions included in this department as well as equipment below the capital item threshold.

Professional Development: Training, travel, and meals related to City business, annual membership dues, professional organization dues, certifications, subscriptions, professional and code books. Annual membership dues paid to local, regional and national economic development, planning, engineering and building associations.

Contract Services: Contract for review of City transportation issues and reviewing development applications. Consulting professional engineer responsible for evaluating traffic safety and control issues throughout the city limits, provide assistance with construction plans, plat review, and project close out if needed, may include professional staff for erosion control permitting and inspections, as well as assistance with street design standards. Code revision and project work related to growth and future expansion most of which is proposed to be funded by grants. Costs associated with development of required legal descriptions for annexations. Fees paid to Metro for annexation. Costs associated with special projects, over-load current planning review, municipal code updates, and economic development plan assistance.



General Fund Public Works Department



General Fund

Public Works

Manager: Chris Randall

Public Works

Oversee operations related to the maintenance of City facilities and infrastructure, maintenance of the city's fleet of vehicles and equipment, manage and maintain quality public roads, parks, trails, storm drains, open spaces, and other infrastructure for the residents of the City. Provide quality community services for the health and safety of residents and the environment. Provide high level of customer service related to street construction, implementation, maintenance and repair, public rights-of-way maintenance and repair, coordination of surface water issues with Water Environment Services, installation and maintenance of signage within public rights-of-way, street sweeping, debris pickup-up, and hazardous spill removal coordination. Coordinate work efforts of volunteers and community work force, work with committees to address existing and anticipated concerns and goals of the community. Promote recycling and sustainability practices through building maintenance. Work with the other departments to maintain a Safety Committee, coordinate issues related to public rights-of-ways, event staffing, warning sign installation and maintenance, surface water issues, feasibility studies, forecasting, and master planning projects.

Staff members include the Public Works Director, Utility Worker II, Heavy Equipment Mechanic, and Administrative Assistant.

Budget Summary:

			Adopted	Budget For Fiscal Year 2018 - 2019			
	Preceding		Budget				
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted	
Personnel Services	396,916	427,221	506,100	538,600	538,600	538,600	
Material and Services	115,792	142,699	242,000	235,000	235,000	235,000	
Total	512,708	569,920	748,100	773,600	773,600	773,600	

Goals and Priorities

- Update the Pavement Quality Index.
- Analyze a residential paving program.
- Finalize the Sewer Feasibility Study.
- Evaluate and purchase land for a future Public Works Yard.
- Complete the paving on Valley View Road and Spring Mountain Drive.
- Seek grant funding and construct the Veterans Memorial Park.
- Design a new Happy Valley Park Parking Lot.

General Fund - Public Works

	Preceding 2015-16	Preceding 2016-17	Adopted Budget 2017-18	Estimate 2017-18	Proposed Budget 2018-19	Approved Budget 2018-19	Adopted Budget 2018-19
Personnel Services FTE Positions	4.0	4.0	4.0	4.0	4.0	4.0	4.0
FILFOSILIONS	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Wages	\$ 255,215	\$ 284,087	\$ 310,100	\$ 300,000	\$ 328,500	\$ 328,500	\$ 328,500
Benefits	141,701	143,134	196,000	190,000	210,100	\$ 210,100	210,100
Total Personnel Services	396,916	427,221	506,100	490,000	538,600	538,600	538,600
Materials and Services							
Public Works Supplies	7,002	16,509	24,000	21,000	25,000	25,000	25,000
Professional Development	5,890	8,087	8,000	7,500	10,000	10,000	10,000
Vehicle Operation & Main.	38,203	56,675	48,000	45,000	70,000	70,000	70,000
Repairs & Maintenance	45,207	26,739	92,000	95,000	50,000	50,000	50,000
Contract Services	19,490	34,689	70,000	70,000	80,000	80,000	80,000
Total Materials and Services	115,792	142,699	242,000	238,500	235,000	235,000	235,000
Total Public Works	512,708	569,920	748,100	728,500	773,600	773,600	773,600



General Fund

Expenditures, Public Works

Personnel:

Wages: Public Works Director, Utility Worker II - WES Street Sweeping Contract, Heavy Equipment Mechanic, Administrative Assistant

Benefits: Items paid from these line items include: Unemployment claims as the City is self-insured for unemployment, any retirement incentives offered, FICA and Tri-met taxes paid by the City, medical and dental benefits paid for employees (employees pay 5% of the premium costs), life, and disability insurance, payments into the PERS system for both the employer percentage and the 6% pick up employee portion.

Materials and Services:

Public Works Supplies: Supplies and materials for repairs and continued operation of Public Works facilities. Safety equipment worn by Public works staff for protection from injury such as hardhats, boots, gloves and safety goggles.

Professional Development: Training, travel, and meals related to City business, annual membership dues, professional organization dues, certifications, subscriptions, professional and code books. Training classes and certifications on subjects such as insecticide/herbicide use, road maintenance, safety, construction, first aid and flagman training. Staff membership in Public Works/Environmental associations, such as the American Public Works Association (APWA), Association of Clean Water Agencies (ACWA), Regional Erosion Prevention Awards program, and Pacific Northwest Clean Water Association (PNCWA).

Vehicle Operation & Maintenance: Operation, repair, and maintenance of all General Fund vehicles.

Repairs and Maintenance: Maintenance and repairs of non-vehicular equipment such as upkeep of trees, shrubs, and landscape in the public rights of way to maintain our Tree City USA status. Equipment rented during special projects. Repairs, improvements, maintenance, recycling costs, and cleaning supplies for all City buildings and systems excluding the Library and the Community Policing Center.

Contract Services: Public Works facility feasibility study and project engineering.



General Fund Parks Department



General Fund

Parks

Manager: Chris Randall

Parks

This department moved to a separate Parks Fund with the 2016-17 budget. Please see the Parks Fund for information regarding funding after the 2015-16 fiscal year.

Budget Summary:

			Adopted	Budget For Fis	cal Year 2018 - 2	2019
	Prece	Preceding				
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted
Personnel Services	141,785	-	-	-	-	-
Material and Services	122,683	-	-	-	-	-
Total	264,468	-	-	-	-	-

General Fund - Parks

	Preceding 2015-16	ceding 16-17	Вι	opted udget 17-18	imate 17-18	Е	oposed Budget 018-19	Bu	oroved idget 18-19	Вι	opted udget 18-19
Personnel Services FTE Positions	2.0										
FIEFOSILIONS	2.0	-		-	-		-		-		-
Wages	\$ 79,252	\$ -	\$	-	\$ -	\$	-	\$	-	\$	-
Benefits	62,533	-		-	-		-		-		-
Total Personnel Services	141,785	 -		-	 		-		-		-
Materials and Services											
Park Supplies	14,080	-		-	-		-		-		-
Professional Development	1,811	-		-	-		-		-		-
Utilities	20,532	-		-	-		-		-		-
Vehicle Operation & Maint.	6,105	-		-	-		-		-		-
Repairs & Maintenance	48,457	-		-	-		-		-		-
General Operating	22	-		-	-		-		-		-
Contract Services	31,676	-		-	-		-		-		-
Total Materials and Services	122,683	 -		-	-		-		-		-
Total Parks	264,468	 -		-			-		-		_



General Fund

Expenditures, Parks

Personnel:

Wages: Utility Worker II, Utility Worker I

Benefits: Unemployment claims as the City is self-insured for unemployment, any retirement incentives offered, FICA and Tri-met taxes paid by the City, medical and dental benefits paid for employees (employees pay 5% of the premium costs), life, disability, and workers' compensation insurance, payments into the PERS system for both the employer percentage and the 6% pick up employee portion.

Materials and Services:

Park Supplies: Supplies used for parks, open spaces, and trail systems to maintain safe and user-friendly environment. Safety equipment such as hardhats, safety goggles, gloves and boots.

Professional Development: Training, travel, and meals related to City business, annual membership dues, professional organization dues, certifications, subscriptions, professional and code books. Training classes and certifications on subjects such as insecticide/herbicide use, safety, first aid, splash pad and general equipment operation. Staff membership in Oregon Recreation and Parks Association, trade journal subscriptions, and dues associated with professional memberships.

Utilities: All utilities including gas, electricity, trash, recycling, phone, water, storm, sewer including portable toilets, and operation of all facilities within the park.

Vehicle Operation & Maintenance: Fuel, supplies, servicing, parts, and maintenance of Park vehicles and equipment. Equipment included are items such as the small utility vehicle, backhoe, trucks, tractor, and mowers.

Repairs and Maintenance: Expenses related to cleanup and repair of picnic areas, routine maintenance of restroom facilities, invasive plant control, repair due to vandalism, sports field maintenance, repair and maintenance of Splash Pad and equipment rental for special projects.

General Operating: No longer used due to new cost allocation model.

Contract Services: Project engineering for park system projects.



General Fund

Transfers Contingency Total Requirements

General Fund - Non-Departmental, Transfers, and Contingency

			Adopted		Proposed	Approved	Adopted
	Preceding	Preceding	Budget	Estimate	Budget	Budget	Budget
	2015-16	2016-17	2017-18	2017-18	2018-19	2018-19	2018-19
Banking	\$ -	\$ 32,786	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non- departmental		32,786					
To Parks Fund	-	120,644	520,000	520,000	-	-	-
To Pedestrian Improvement Project I	-	100,000	100,000	100,000	100,000	100,000	100,000
To Reserve for Gen Op Fund	-	198,974	-	-	300,000	300,000	300,000
To Gen Res for Replacement Fund	350,000	400,000	350,000	350,000	500,000	500,000	500,000
To Facility Cap Project Fund	-	-	1,500,000	1,500,000	2,300,000	2,300,000	2,300,000
To Debt Service Fund	1,000,000	985,026	-	-	-	-	-
Total Transfers	1,350,000	1,804,644	2,470,000	2,470,000	3,200,000	3,200,000	3,200,000
Contingency	-	-	1,957,802	-	2,702,357	2,702,357	2,702,357



General Fund

Transfers, Contingency

Manager: Jason Tuck, ICMA-CM

Transfers:

- **To Parks Fund:** Transfer to balance the Parks Fund. The Parks Fund currently expends amounts greater than the dedicated revenue sources provide so the General Fund transfer covers the deficit amount.
- **To Reserve for Pedestrian Improvement Project Fund:** Transfer to pay for pedestrian pathway improvements based on the City's adopted Pedestrian Master Plan. Improvements brought forward by the Traffic and Public Safety Committee. Reverse frontage maintenance on city boulevard streets.
- **To Reserve for General Operations Fund:** Transfer to reserve fund established to mitigate effect of cyclical nature of development and building revenues.
- **To General Reserve for Replacement Fund:** Transfer to reserve fund for the purchase of items per the replacement schedule.
- **To Reserve for Debt Service Fund:** Shown for historical purposes. Transfer to reserve fund to pay principal and interest on outstanding bond issuance.

Other:

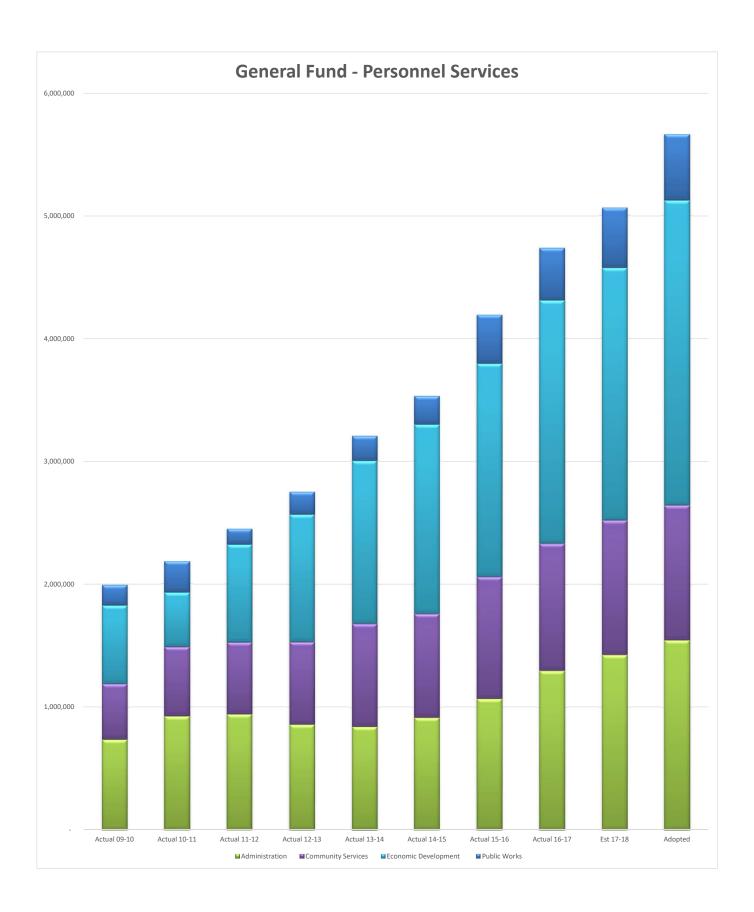
Contingency: An amount set aside to meet unforeseen circumstances. Contingency funds may only be transferred to Personnel Services, Materials and Services, and Transfers by resolutions approved by City Council. This budget has 20% in Contingency for the General Fund.

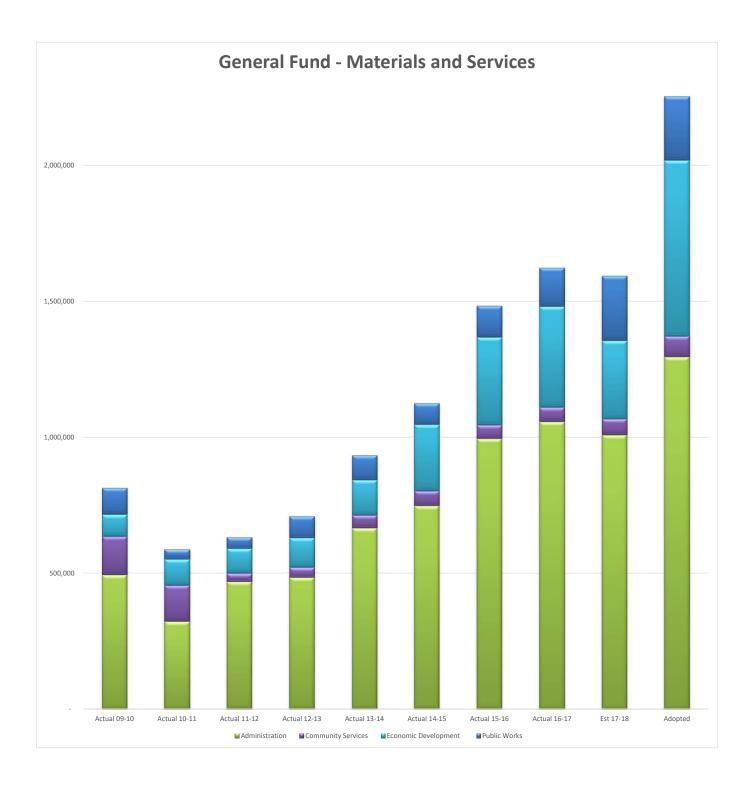
General Fund Department Totals:

Department Totals: Summary total for each department as well as total for Non-Departmental, Transfers, and Contingency.

General Fund - Total by Department

			Adopted		Proposed	Approved	Adopted
	Preceding 2015-16	Preceding 2016-17	Budget 2017-18	Estimate 2017-18	Budget 2018-19	Budget 2018-19	Budget 2018-19
Administration	\$ 2,061,437	\$ 2,352,090	\$ 2,641,000	\$ 2,433,000	\$ 2,840,100	\$ 2,840,100	\$ 2,840,100
Community Services / Public Safety	1,043,102	1,088,255	1,166,500	1,154,500	1,175,400	1,175,400	1,175,400
Economic & Community Development	2,057,876	2,351,234	2,613,100	2,342,000	3,128,700	3,128,700	3,128,700
Public Works	512,708	569,920	748,100	728,500	773,600	773,600	773,600
Parks	264,468	-		-		-	-
Non-Departmental	-	32,786	-	-	-	-	-
Transfers	1,350,000	1,804,644	2,470,000	2,470,000	3,200,000	3,200,000	3,200,000
Contingency	-	-	1,957,802	-	2,702,357	2,702,357	2,702,357
Total General Fund Requirements	7,289,591	8,198,929	11,596,502	9,128,000	13,820,157	13,820,157	13,820,157
Ending Fund Balance	3,950,886	5,169,882	_	5,019,157	_	_	-







Parks Fund



Parks Fund

Manager: Chris Randall / Steve Campbell

Ensure a clean, safe park and trail environment, including friendly park personnel on a daily basis. Provide a high level of customer service regarding picnic areas, sport fields, splash pad, boardwalk, park equipment, and playgrounds. Work with volunteers who provide improvements to parks and trail systems. Conduct documented park inspections once a month, provide staff support for City sponsored and endorsed park activities, maintain trail systems, and assist with construction of new trails and trail connections using City staff and volunteer labor. Maintain irrigation system to provide healthy turf and conserve water, semiannually top dress and fertilize all sports fields for optimum use throughout the year. Assist in the planning and construction of new park facilities, promote recycling and sustainability practices, and meet quarterly with the Parks Advisory Committee to discuss capital projects. Provide recreation programming to the community and plan and organize community events throughout the year.

Prior to the 2016-17 fiscal year the park operation was a department within the General Fund. Please see the General Fund for financial information prior to the 2016-17 fiscal year.

Revenue

Property Taxes provided through the Parks operating levy. User related and program fees come from citizens utilizing programs and park space. Event revenue provided through event sponsorship and vendors. Park and trail grants received from other entities. Miscellaneous revenue is interest earned on the level of fund balance.

Expenditures

Parks operations department covers maintenance and operation of all parks facilities. Parks programming department plans and organizes recreational programming and community events.

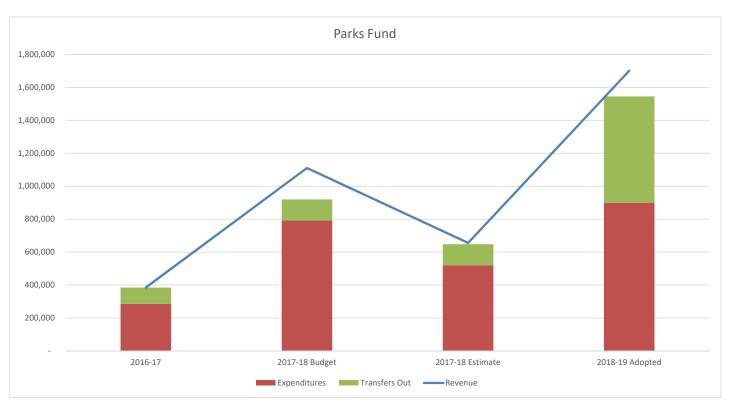
Staff includes Utility Worker II, Utility Worker I (1.5), Programming Specialist, Event Coordinator.

Budget Summary:

			Adopted	Budget For Fisc	al Year 2018 - 20	8 - 2019		
	Prece	Preceding						
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted		
Operations	-	286,492	587,800	536,000	536,000	461,000		
Programming	-	-	-	357,600	357,600	357,600		
Non-Departmental	-	-	205,000	80,000	80,000	80,000		
Transfers	-	98,900	127,650	648,000	648,000	648,000		
Contingency	-	-	-	158,100	158,100	158,100		
Total	-	385,392	920,450	1,779,700	1,779,700	1,704,700		

Parks Fund

	Preceding	Preceding	Adopted				
	2015-16	2016-17	2017-18 Budget	2017-18 Estimate	2018-19 Proposed	2018-19 Approved	2018-19 Adopted
Revenue	-	385,392	1,110,427	655,850	1,777,000	1,777,000	1,702,000
Expenditures	-	286,492	792,800	520,500	973,600	973,600	898,600
Transfers Out	<u>-</u>	98,900	127,650	127,650	648,000	648,000	648,000
Annual Operating Surplus / (Shortfall)	-	-	189,977	7,700	155,400	155,400	155,400
Beginning Fund Balance	-	-	-	-	2,700	2,700	2,700
Ending Fund Balance / Contingency	-	-	189,977	7,700	158,100	158,100	158,100



Parks Fund

				Adopted		Р	roposed	Ap	proved	A	dopted
	Precedin	ıg	Preceding	Budget	Estimate		Budget	В	udget	1	Budget
	2015-16	6	2016-17	2017-18	2017-18	2	2018-19	20)18-19	2	018-19
Resources											
Beginning Fund Balance	\$ -		\$ -	\$ -	\$ -	\$	2,700	\$	2,700	\$	2,700
Property Taxes	-		-	-	-		1,577,000	1	,577,000		1,577,000
Intergovernmental	-		263,764	271,677	135,850		-		-		-
User Related	-		-	-	-		30,000		30,000		30,000
Program Fees	-		-	-	-		50,000		50,000		50,000
Event Revenue	-		-	-	-		45,000		45,000		45,000
Grant Revenue	-		-	318,750	-		75,000		75,000		-
Misc Revenue	-		984	-	-		-		-		-
Transfer In - from General Fund		<u> </u>	120,644	 520,000	 520,000						
Total Resources		<u>. </u>	385,392	1,110,427	 655,850		1,779,700	1	,779,700		1,704,700

Parks Fund - Operations

Requirements			Adopted		Proposed	Approved	Adopted
	Preceding	Preceding	Budget	Estimate	Budget	Budget	Budget
	2015-16	2016-17	2017-18	2017-18	2018-19	2018-19	2018-19
Personnel Services							
FTE Positions	-	2.0	2.0	2.0	2.5	2.5	2.5
Wages	-	88,510	98,400	83,000	119,700	119,700	119,700
Benefits	-	60,914	60,400	40,000	70,300	70,300	70,300
Total Personnel Services		149,424	158,800	123,000	190,000	190,000	190,000
Materials and Services							
Park Supplies	-	14,216	17,000	15,000	28,000	28,000	28,000
Professional Development	-	1,106	5,000	7,500	8,000	8,000	8,000
Utilities	-	22,263	27,000	27,000	35,000	35,000	35,000
Vehicle Operation & Maint.	-	2,177	35,000	3,000	10,000	10,000	10,000
Repairs & Maintenance	-	48,912	65,000	70,000	90,000	90,000	90,000
Contract Services	-	48,394	280,000	270,000	100,000	100,000	100,000
Grant Expenditure	-	-	-	-	75,000	75,000	-
Total Materials and Services		137,068	429,000	392,500	346,000	346,000	271,000
Total Operations		286,492	587,800	515,500	536,000	536,000	461,000

Parks Fund - Programming

Requirements			Adopted		Proposed	Approved	Adopted
	Preceding	Preceding	Budget	Estimate	Budget	Budget	Budget
	2015-16	2016-17	2017-18	2017-18	2018-19	2018-19	2018-19
Personnel Services							
FTE Positions	-	-	-	-	2.0	2.0	2.0
Wages	-	-	_	-	134,100	134,100	134,100
Benefits	-	-	-	-	78,800	78,800	78,800
Total Personnel Services					212,900	212,900	212,900
Materials and Services							
Program Supplies	-	-	-	-	10,000	10,000	10,000
Community Events	-	-	-	-	79,700	79,700	79,700
Professional Development	-	-	-	-	5,000	5,000	5,000
Program Services	-	-	-	-	20,000	20,000	20,000
Contract Services	-	-	-	-	30,000	30,000	30,000
Total Materials and Services		_	-		144,700	144,700	144,700
Total Programming					357,600	357,600	357,600

Parks Fund - Non-Departmental, Transfers, and Contingency

			Adopted		Proposed	Approved	Adopted
	Preceding	Preceding	Budget	Estimate	Budget	Budget	Budget
	2015-16	2016-17	2017-18	2017-18	2018-19	2018-19	2018-19
						_	
Public Outreach	_	_	30,000	5,000	15,000	15,000	15,000
Legal	-	-	-	-	65,000	65,000	65,000
Capital Outlay	-	-	175,000	-	-	-	-
Total Non departmental			205,000	F 000	80,000	90,000	90,000
Total Non-departmental			205,000	5,000	60,000	80,000	80,000
Transfers							
To General Fund	-	98,900	127,650	127,650	133,000	133,000	133,000
To Parks Res for Replacement	-	-	-	-	425,000	425,000	425,000
To Park Capital Fund	-	-	-	-	90,000	90,000	90,000
Total Transfers		98,900	127,650	127,650	648,000	648,000	648,000
Total Hallsteis		30,900	121,000	121,000	070,000	0-10,000	0-0,000
Contingency			-		158,100	158,100	158,100

Parks Fund - Total by Department

			Adopted		Proposed	Approved	Adopted
	Preceding 2015-16	Preceding 2016-17	Budget 2017-18	Estimate 2017-18	Budget 2018-19	Budget 2018-19	Budget 2018-19
Operations	-	286,492	587,800	515,500	536,000	536,000	461,000
Programming	-	-	-	-	357,600	357,600	357,600
Non-Departmental	-	-	205,000	5,000	80,000	80,000	80,000
Transfers	-	98,900	127,650	127,650	648,000	648,000	648,000
Contingency	-	-	-	-	158,100	158,100	158,100
			<u> </u>				
Total Parks Fund Requirements		385,392	920,450	648,150	1,779,700	1,779,700	1,704,700
Annual operating surplus/(deficit)	-	-	189,977	7,700	(2,700)	(2,700)	(2,700)
Ending Fund Balance			189,977	7,700			
Contingency % (incl transfers out)	-	-	-	-	9%	9%	9%



Parks Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

Property Tax Revenue: Property tax revenue received through the Parks operating levy.

Intergovernmental Revenue: Revenue from other municipalities or governmental agencies.

User Related – Fees paid for park reservations.

Program Fees – Enrollment fees for recreation programming.

Grant Revenue: Grant Revenue received from other entities.

Event Revenue: Event sponsorships and event vendor fees.

Misc Revenue: Includes but not limited to: unanticipated income and interest income from cash is

invested in the Local Government Investment Pool and in other investments.

Transfer In - from General Fund: Transfer from General Fund to cover operating deficit.

Expenditures

Personnel:

Wages: Utility Worker II, Utility Worker I (1.5), Programming Specialist, Event Coordinator.

Benefits: Items paid from these line items include: Unemployment claims as the City is self-insured for unemployment, any retirement incentives offered, FICA and Tri-met taxes paid by the City, medical and dental benefits paid for employees (employees pay 5% of the premium costs), life, and disability insurance, payments into the PERS system for both the employer percentage and the 6% pick up employee portion.

Materials and Services:

Park Supplies: Supplies used for City parks, open spaces, and trail systems to maintain safe and user-friendly environment. Safety equipment such as hardhats, safety goggles, gloves and boots.

Professional Development: Training, travel, and meals related to City business, annual membership dues, professional organization dues, certifications, subscriptions, professional and code books. Training classes and certifications on subjects such as insecticide/herbicide use, safety, first aid, splash pad and general equipment operation. Staff membership in Oregon Recreation and



Parks Fund

Expenditures (continued)

Parks Association, trade journal subscriptions, and dues associated with professional memberships.

Utilities: All utilities including gas, electricity, trash, recycling, phone services, water, storm, sewer including portable toilets, and operation of all facilities within the park.

Vehicle Operation & Maintenance: Fuel, supplies, servicing, parts, and maintenance of Park vehicles and equipment. Equipment included are items such as the small utility vehicle, backhoe, trucks, tractor, and mowers.

Repairs and Maintenance: Expenses related to cleanup and repair of picnic areas, routine maintenance of restroom facilities, invasive plant control, repair due to vandalism, sports field maintenance, repair and maintenance of Splash Pad and equipment rental for special projects.

Public Outreach: Costs associated with the production of educational and promotional material, social media, and events associated with park operations.

Grant Expenditures: Expenditures related to grant received from other entities.

Contract Services: Project engineering for park system projects. Programming instructors.

Program Supplies: Supplies used for running recreation programs.

Community Events – Cost associated with planning and running community events.

Transfers Out:

To General Fund: Amount calculated with cost allocation plan to cover administrative overhead costs. Included in these costs are city administration, finance, payroll, accounts payable, human resources, city recorder, overall administrative costs related to running the city.

Public Safety Fund



Public Safety Fund

Manager: Steve Campbell

Provide public safety services to citizens at the level promised when the Local Option Levy was passed by the voters of the City. Account for tax dollars collected for contract law enforcement services which includes around the clock services by sworn and non-sworn officers dedicated to the City, two full time sergeants act as a field supervisor, a dedicated traffic officer, dedicated detective, Happy Valley identification on police cars, as well as local control, supervision and administration of the services provided. Services are provided through an intergovernmental agreement with the Clackamas County Sheriff Office.

Revenue

Local Option Levy property tax collections, amount from contract reconciliation with Clackamas County Sheriff Office, and interest allocated based on fund balance.

Expenditures

Public safety related services, contracted police services, equipment, training, facilities costs, and transfer to cover costs of administration. Contract includes Police Chief, Sergeant (2), Traffic Enforcement Officer, Detective, Patrol Officer (6), Non-sworn community Services Officer.

Budget Summary:

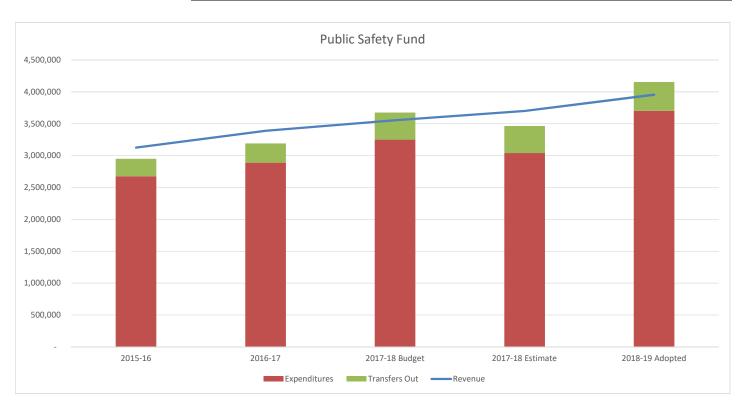
			Adopted	Budget For Fisca	al Year 2018 - 2019	
	Preced	Preceding				
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted
Material and Services	2,676,831	2,890,512	3,250,000	3,692,000	3,692,000	3,692,000
Capital Outlay	-	-	10,000	10,000	10,000	10,000
Transfers	274,035	301,450	424,840	452,000	452,000	452,000
Contingency	-	-	909,011	1,151,224	1,151,224	1,151,224
Total	2,950,866	3,191,962	4,593,851	5,305,224	5,305,224	5,305,224

Goals and Priorities

- Increase the working relationship with schools in Happy Valley with an emphasis on keeping our students safe at school.
- Collect and utilize more meaningful statistics related to traffic safety.
- Increase staffing to keep up with documented increases in crime rate, calls for service and population.
- Continue to promote the police department on a variety of social media platforms.
- Continue to develop partnerships within the community that are mutually beneficial and support our goal of community policing.
- Implement new LED driver feedback signs program.
- Utilize the traffic trailer to collect traffic data in 3 locations every 6 months.
- Develop a guide for traffic control requests, review, policy and documentation.
- Obtain a new unmarked traffic car.

Public Safety Fund

<u> </u>	Preceding	Preceding	Adopted				
	2015-16	2016-17	2017-18 Budget	2017-18 Estimate	2018-19 Proposed	2018-19 Approved	2018-19 Adopted
	2010-10	2010-11			1.100000	7.661.01.00	7.440
Revenue	3,125,500	3,390,084	3,554,000	3,700,000	3,955,000	3,955,000	3,955,000
Expenditures	2,676,831	2,890,512	3,250,000	3,039,550	3,702,000	3,702,000	3,702,000
Transfers Out	274,035	301,450	424,840	424,840	452,000	452,000	452,000
Annual Operating Surplus / (Shortfall)	174,634	198,122	(120,840)	235,610	(199,000)	(199,000)	(199,000)
Beginning Fund Balance	741,858	916,492	1,039,851	1,114,614	1,350,224	1,350,224	1,350,224
Ending Fund Balance /							
Contingency	916,492	1,114,614	919,011	1,350,224	1,151,224	1,151,224	1,151,224



Public Safety Fund

	Preceding 2015-16	Preceding 2016-17	Adopted Budget 2017-18	Estimate 2017-18	Proposed Budget 2018-19	Approved Budget 2018-19	Adopted Budget 2018-19
Resources							
Beginning Fund Balance	\$ 741,858	\$ 916,492	\$ 1,039,851	\$ 1,114,614	\$ 1,350,224	\$ 1,350,224	\$ 1,350,224
Property Taxes Misc Revenue Transfer - from Res for Repl	3,029,935 95,565 -	3,295,313 94,771 -	3,452,000 40,000 62,000	3,600,000 100,000 62,000	3,925,000 30,000 -	3,925,000 30,000 -	3,925,000 30,000 -
Total Resources	3,867,358	4,306,576	4,593,851	4,814,614	5,305,224	5,305,224	5,305,224
Requirements							
Materials and Services							
PS Supplies	10,866	5,521	14,000	10,500	14,000	14,000	14,000
Professional Development	8,429	13,126	15,000	14,000	20,000	20,000	20,000
Utilities	18,541	26,578	17,000	23,250	30,000	30,000	30,000
Vehicle Operation & Maint.	1,328	10,225	5,000	5,000	6,000	6,000	6,000
Repairs & Maintenance	15,192	19,789	22,000	28,000	30,000	30,000	30,000
Public Outreach	2,131	9,557	25,000	11,400	25,000	25,000	25,000
Contract Services	24,936	18,525	27,000	22,000	27,000	27,000	27,000
Police Contract	2,595,408	2,787,191	3,125,000	2,925,400	3,540,000	3,540,000	3,540,000
Total Materials and Services	2,676,831	2,890,512	3,250,000	3,039,550	3,692,000	3,692,000	3,692,000
Capital Outlay							
Equip over \$5,000	-	-	10,000	-	10,000	10,000	10,000
Total Capital Outlay		_	10,000		10,000	10,000	10,000
Transfers							
To General Fund	262,035	301,450	424,840	424,840	452,000	452,000	452,000
To Reserve for Replacement	12,000	-	-	-	-	-	-
Total Transfers	274,035	301,450	424,840	424,840	452,000	452,000	452,000
Contingency	-	-	909,011	-	1,151,224	1,151,224	1,151,224
Total Requirements	2,950,866	3,191,962	4,593,851	3,464,390	5,305,224	5,305,224	5,305,224
Ending Fund Balance	916,492	1,114,614		1,350,224	-	-	-



Public Safety Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

- **Property Taxes:** The voters passed a local option tax levy allowing the City to levy \$1.38 per thousand of assessed valuation for a period of five years to fund full time police protection within the City limits. Includes taxes levied in prior years but collected in the current year.
- **Misc Revenue:** Includes but not limited to: unanticipated income, interest income from cash invested in the Local Government Investment Pool and other investments. Prior to the 2018-19 budget, this also included revenue from the reconciliation process between the City and Clackamas County regarding the actual services provided compared to the services outlined in the contract. The County now bills based on actuals so there will be no reconciliation revenue.
- **Transfer In:** Transfer from Reserve for Replacement Fund. The decision was made to split the Reserve for Replacement Fund into separate funds associated with the respective funds of origin. That analysis determined the Public Safety Fund does not have enough high dollar items to warrant a separate reserve fund.

Expenditures

Materials and Services:

- **PS Supplies:** Office supplies needed for the various functions included in this department as well as non-capital type equipment.
- **Professional Development:** Training, travel, and meals related to City business, annual membership dues to professional organization, certifications, subscriptions, and books for staff. Training in code enforcement, emergency services, animal control, and any of the various public safety services provided by the department.
- **Utilities:** Costs for utilities at facility provided for Sheriff Personnel.
- **Vehicle Operation & Maintenance:** Costs related to vehicle operation and maintenance of vehicles used for public safety.
- **Repairs & Maintenance:** Costs associated with the upkeep of the facility used by Sheriff Personnel. Costs for unexpected and unanticipated events which are beyond the scope of the current contract.
- **Public Outreach:** Costs for Community Services officers, uniforms badges, nametags, and other required clothing and portion of newsletter.
- **Contract Services:** Costs for contract services providing public safety in the City not covered in the intergovernmental agreement (IGA) with Clackamas County. Maintenance costs for e-ticketing software.
- **Police Contract IGA:** Contract with Clackamas County Sheriff for full time police protection. Contract includes Police Chief, Sergeant (2), Traffic Enforcement Officer, Detective, Patrol Officer (7), Non-sworn Community Services Officer.

92 94



Public Safety Fund

Expenditures

Capital Outlay:

Equipment over \$5,000: Items associated with the maintenance and upkeep of the Community Policing Station and items to be used in connection with public safety.

Transfers:

To General Fund: Amount calculated with cost allocation plan to cover administrative overhead costs. Included in these costs are city administration, finance, payroll, accounts payable, human resources, city recorder, overall administrative costs related to running the city.

To Reserve for Replacement Fund: No longer used. Shown for historical purposes.

Other:

Contingency: Amount set aside to meet unforeseen circumstances. Contingency funds may only be transferred to Materials and Services, and Transfers by resolutions approved by City Council. This budget has 20% in Contingency for the Public Safety Fund.



Library Fund



Library Fund

Manager: Doris Grolbert

The Library Fund provides and promotes informational, educational, cultural and recreational materials, resources and programs to enhance the economic, social and cultural vitality of the community. The Library is responsive to the needs of the community with welcoming environments, a broad range of relevant programs and materials in a variety of formats and highly qualified, customer-focused employees.

Revenue

The primary revenue for Library operations is from the distribution of Library District funds. The Library District distributes funds to each Library City according to a set formula outlined in the intergovernmental agreement and includes an assessed value and unincorporated population served calculation. In addition, the Library receives revenue from a Ready to Read grant from the State of Oregon and collection of fines, lost books, and copier fees.

Expenditures

The Library maintains a seven day a week operation in a 18,300 sq. ft. building. Staff provide adult and children's programming, reference and circulations services, cataloging of materials, and management of the Library Fund. Internet stations, public access computers and WiFi access equipment and software are provided for public use. Books, DVDs, audio books, compact discs, magazines, ebooks, and other electronic resources are purchased and processed for use by the public.

Budget Summary:

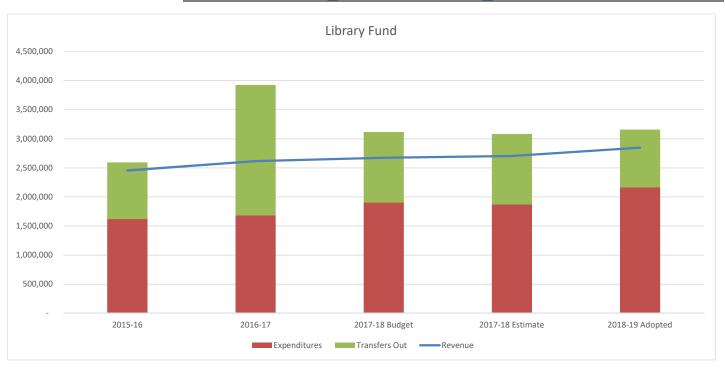
	Preceding		Adopted Budget	Budget For Fis	2019	
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted
Personnel Services	1,188,784	1,263,162	1,379,900	1,557,200	1,557,200	1,557,200
Material and Services	428,649	421,973	522,000	608,000	608,000	608,000
Transfers	976,190	2,239,600	1,213,925	990,000	990,000	990,000
Contingency	-	-	1,006,175	786,302	786,302	786,302
Total	2,593,623	3,924,735	4,122,000	3,941,502	3,941,502	3,941,502

Goals and Priorities

- Continue to develop the Library Strategic Plan with the Library Board and present it to the City Council.
- Begin to implement the approved strategic plan.
- Educate Library staff in Mental Health First Aid.
- Continue to fully implement RFID.
- Continue to look for opportunities inside and outside the library to market our services and materials.
- Add an adult Chinese collection.
- Add an additional Self-Check station upstairs to assist patrons with children.
- Stabilize the staffing schedule for better continuity and service to our community.

Library Fund

<u> </u>	Preceding	Preceding	Adopted				
	Preceding	Preceding	2017-18	2017-18	2018-19	2018-19	2018-19
	2015-16	2016-17	Budget	Estimate	Proposed	Approved	Adopted
•							
Revenue	2,454,502	2,614,179	2,672,000	2,702,000	2,846,000	2,846,000	2,846,000
Expenditures	1,617,433	1,685,135	1,901,900	1,868,000	2,165,200	2,165,200	2,165,200
Transfers Out	976,190	2,239,600	1,213,925	1,213,925	990,000	990,000	990,000
Annual Operating Surplus / (Shortfall)	(139,121)	(1,310,556)	(443,825)	(379,925)	(309,200)	(309,200)	(309,200)
Beginning Fund Balance	2,925,104	2,785,983	1,450,000	1,475,427	1,095,502	1,095,502	1,095,502
Ending Fund Balance / Contingency	2,785,983	1,475,427	1,006,175	1,095,502	786,302	786,302	786,302



Library Fund

			Adopted		Proposed	Approved	Adopted
	Preceding	Preceding	-	Estimate	Budget	• • •	•
	2015-16	2016-17	Budget 2017-18	2017-18	2018-19	Budget 2018-19	Budget 2018-19
	2015-16	2016-17	2017-18	2017-18	2010-19	2010-19	2010-19
Resources							
Beginning Fund Balance	\$ 2,925,104	\$ 2,785,983	\$ 1,450,000	\$ 1,475,427	\$ 1,095,502	\$ 1,095,502	\$ 1,095,502
District Revenue	2,382,949	2,520,489	2,560,000	2,600,000	2,730,000	2,730,000	2,730,000
User Related	42,554	44,019	42,000	42,000	43,000	43,000	43,000
Grant Revenue	-	-	-	-	8,000	8,000	8,000
Misc Revenue	28,999	49,671	70,000	60,000	65,000	65,000	65,000
Total Resources	5,379,606	5,400,162	4,122,000	4,177,427	3,941,502	3,941,502	3,941,502
Requirements							
Personnel Services							
FTE Positions	14.1	14.6	15.6	17.0	17.0	17.0	17.0
Wages	810,437	878,365	944,900	927,000	1,027,700	1,027,700	1,027,700
Benefits	378,347	384,797	435,000	440,000	529,500	529,500	529,500
Total Personnel Services	1,188,784	1,263,162	1,379,900	1,367,000	1,557,200	1,557,200	1,557,200
Materials and Services							
Office Supplies	33,166	39,669	54,000	40,000	56,000	56,000	56,000
Professional Development	1,867	2,005	3,000	3,000	5,000	5,000	5,000
Library Media	245,753	257,973	310,000	290,000	317,000	317,000	317,000
Utilities	29,064	28,820	30,000	34,000	38,000	38,000	38,000
Repairs & Maintenance	34,026	8,739	40,000	19,000	36,000	36,000	36,000
Facility and Office Contracts	84,773	84,767	85,000	115,000	156,000	156,000	156,000
Total Materials and Services	428,649	421,973	522,000	501,000	608,000	608,000	608,000
Transfers							
To General Fund	331,190	389,600	513,925	513,925	440,000	440,000	440,000
To Lib Reserve for Replacement Func	645,000	1,850,000	700,000	700,000	550,000	550,000	550,000
To Lib Neserve for Neplacement Func	043,000	1,050,000	700,000	700,000	330,000	330,000	330,000
Total Transfers	976,190	2,239,600	1,213,925	1,213,925	990,000	990,000	990,000
Contingency			1,006,175		786,302	786,302	786,302
Total Requirements	2,593,623	3,924,735	4,122,000	3,081,925	3,941,502	3,941,502	3,941,502
Ending Fund Balance	2,785,983	1,475,427	-	1,095,502	-	-	-



Library Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

District Revenue: Each year the District receives the amount collected for the year plus delinquent taxes recovered from the previous year. The District distributes funds when received using the formula. The Formula has two components:

<u>City Assessed Value Component</u>: The annual distribution to a Library City for properties within its boundaries shall equal the assessed value of such Library City's properties, as established annually by the Clackamas County Assessor, divided by the total assessed value of all properties in the District. This determines the Assessed Value Percentage Rate for each Library City. Each Library City will receive funds equal to the Assessed Value fund amount multiplied by its individual Assessed Value Percentage Rate.

<u>Unincorporated Population Served Component:</u> After calculation of each Library City's Assessed Value fund amount, the District shall calculate the remaining funds to be distributed (the "Remainder Amount") and distribute those funds based on the Unincorporated Population Served Percentage Rate based on their Service Population Area.

User Related Fees: Library receives overdue fines, payments for lost material, internet fees, copier fees, and printer fees.

Misc Revenue: Includes but not limited to donations, interest income from cash invested in the Local Government Investment Pool and other investments. Ready to Read grant from the State of Oregon to provide funds for Summer Reading and reading readiness programs.

Expenditures

Personnel:

Wages: Library Director, Library Supervisor, Librarians, Administrative Assistant, Library Assistants, Library Aides.

Benefits: Items paid from these line items include: Unemployment claims as the City is self-insured for unemployment, any retirement incentives offered, FICA and Tri-met taxes paid by the City, medical and dental benefits paid for employees (employees pay 5% of the premium costs), life, and disability insurance, payments into the PERS system for both the employer percentage and the 6% pick up employee portion.



Library Fund

Expenditures (continued)

Materials and Services:

- **Office Supplies:** General office supplies, postage, Ready to Read grant expenditures, program expenditures, and cleaning supplies for the Library building and systems.
- **Professional Development:** Training, travel, and meals related to City business, annual membership and professional organization dues, certifications, subscriptions, and books for Library staff.
- **Library Media:** Books, music CDs, audio books, DVDs and Blu-Ray discs, kits, e-books, periodicals, databases and electronic resources for the public's use.
- **Utilities:** Gas, electricity, trash, recycling, phone services, water, internet, storm, and sewer.
- **Repairs and Maintenance:** Repairs, improvements, maintenance, and computer and technology items less than \$5,000.
- **Facility and Office Service Contracts:** Annual maintenance and service contracts related to the Library's facilities and operations. This includes internet services, access and security, elevator, HVAC, janitorial services, network, and computer software maintenance agreements.

Transfers:

- **To General Fund:** Amount calculated with cost allocation plan to cover administrative overhead costs. Included in these costs are city administration, finance, payroll, accounts payable, human resources, city recorder, overall administrative costs related to running the city.
- **To Library Reserve for Replacement Fund:** Transfer to accumulate funds for purchases per the Library Reserve for Replacement list.

Other:

Contingency: An amount set aside to meet unforeseen circumstances. Contingency funds may be transferred to Personnel Services, Materials and Services, and Transfers by resolutions approved by Council. This budget has 24% in Contingency for the Library Fund.



Street Maintenance Fund



Street Maintenance Fund

Manager: Chris Randall

The Street Maintenance Fund provides maintenance, and preservation of all paved roads and streets within the City. Provide high level of customer service related to street construction, public rights-of-way maintenance and repair, coordination of surface water issues with Water Environment Services, installation and maintenance of signage within public rights-of-way, street sweeping, debris pickup-up, and hazardous spill removal coordination. Maintenance activities include but are not limited to pothole patching, street reconstruction, overlays, seal coating, crack sealing, street sweeping, sign replacement, fog and centerline striping, median maintenance, debris pickup and removal, and hazardous spill cleanup. Promote and pursue the use of the Pedestrian Master Plan. Update street standard construction details to address changing needs. Promote recycling and sustainability practices. Work with Engineering Department related to inspections, public rights-of-ways, street design, maintenance, and preservation, and reconstruction. Maintenance activities are coordinated with other agencies such as Clackamas County Water Environment Services (WES) and Department of Transportation and Development, and Oregon Department of Transportation.

Revenue

City's share of State Highway Trust Fund from a per-gallon tax and state vehicle registration fees, intergovernmental revenue based on agreements with neighboring jurisdictions for street sweeping and public works projects, and interest earned on the level of fund balance. Also included is revenue from City gas tax from any gas station operating within city boundaries.

Expenditures

Reconstruction, overlays, slurry seals, and crack seals, installation and maintenance of traffic signage and striping, street sweeping, debris pickup, hazardous spill removal coordination, inclement weather services including: snow removal and sanding icy roads, maintenance and improvements to meet the street maintenance index. Staff training and continued education related to street maintenance practices. Contracted WES Street Sweeping.

Budget Summary:

			Adopted Budget for Fiscal Year 2018 - 2 Budget			019	
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted	
Personnel Services	230,125	273,021	301,700	394,500	394,500	394,500	
Material and Services	196,923	266,154	348,500	426,500	426,500	426,500	
Capital Outlay	318,697	27,722	486,128	1,835,514	1,835,514	1,835,514	
Transfers	296,278	267,470	320,000	1,825,000	1,825,000	1,825,000	
Total	1,042,023	834,367	1,456,328	4,481,514	4,481,514	4,481,514	
Reserve for Future Expenditures	1,145,945	1,145,945	1,415,223	-	-	-	

Goals and Priorities

Update the Pavement Quality Index. Analyze a residential paving program.

Street Fund

otroot r unu							
	Preceding	Preceding	Adopted				
			2017-18	2017-18	2018-19	2018-19	2018-19
	2015-16	2016-17	Budget	Estimate	Proposed	Approved	Adopted
•							
Revenue	1,063,321	1,508,456	1,206,200	1,472,000	1,734,150	1,734,150	1,734,150
Expenditures	745,746	566,897	1,136,328	816,000	2,656,514	2,656,514	2,656,514
Transfers Out	296,278	267,470	320,000	320,000	1,825,000	1,825,000	1,825,000
Annual Operating Surplus / (Shortfall)	21,297	674,089	(250,128)	336,000	(2,747,364)	(2,747,364)	(2,747,364)
Beginning Fund Balance	1,715,978	1,737,275	1,665,351	2,411,364	2,747,364	2,747,364	2,747,364
Ending Fund Balance (fee in lieu of							
contruction)	1,737,275	2,411,364	1,415,223	2,747,364	-	-	-

2018-19 Spike is from the transfer out of Fee in Lieu, and increased Capital Outlay appropriation.



Street Fund

			Adopted		Proposed	Approved	Adopted	
	Preceding	Preceding	Budget	Estimate	Budget	Budget	Budget	
	2015-16	2016-17	2017-18	2017-18	2018-19	2018-19	2018-19	
Resources								
Beginning Fund Balance	\$ 1,715,978	\$ 1,737,275	\$ 1,665,35	\$ 2,411,364	\$ 2,747,364	\$ 2,747,364	\$ 2,747,364	
State Shared Revenues	1,010,589	1,090,431	1,076,200	1,176,000	1,448,150	1,448,150	1,448,150	
Intergovernmental Revenue	33,193	69,793	40,000	136,000	141,000	141,000	141,000	
Local Gas Tax Revenue	-	53,268	75,000	106,000	110,000	110,000	110,000	
Misc Revenue	19,539	294,964	15,000	54,000	35,000	35,000	35,000	
Transfer from General Fund		-						
Total Resources	2,779,299	3,245,731	2,871,55	3,883,364	4,481,514	4,481,514	4,481,514	
Requirements								
Personnel Services								
FTE Positions	3.0	3.0	3.	0 3.0	3.5	3.5	3.5	
Wages	135,780	152,359	168,200	165,000	227,000	227,000	227,000	
Benefits	94,346	120,662	133,500	124,000	167,500	167,500	167,500	
Total Personnel Services	230,126	273,021	301,700	289,000	394,500	394,500	394,500	
Materials and Services								
Supplies	1,414	1,050	8,000	3,000	8,000	8,000	8,000	
Professional Development	6,120	5,826	6,500	5,000	6,500	6,500	6,500	
Utilities	7,468	7,142	12,000	9,000	12,000	12,000	12,000	
Vehicle Operation & Maint.	18,188	28,579	27,000	37,500	40,000	40,000	40,000	
Repairs and Maintenance	129,738	180,006	195,000		210,000	210,000	210,000	
Contract Services	33,995	43,551	100,000	85,000	150,000	150,000	150,000	
Total Materials and Services	196,923	266,154	348,500	327,000	426,500	426,500	426,500	
Capital Outlay								
Street Reconstruction	318,697	27,722	486,128	200,000	1,835,514	1,835,514	1,835,514	
Total Capital Outlay	318,697	27,722	486,128	3 200,000	1,835,514	1,835,514	1,835,514	
Transfers								
To General Fund	196,278	167,470	220,000	220,000	175,000	175,000	175,000	
To Street Reserve for Replacement Fund	100,000	100,000	100,000	100,000	1,650,000	1,650,000	1,650,000	
Total Transfers	296,278	267,470	320,000	320,000	1,825,000	1,825,000	1,825,000	
Total Requirements	1,042,024	834,367	1,456,328	1,136,000	4,481,514	4,481,514	4,481,514	
Reserved for Future Expenditures	1,145,945	1,145,945	1,415,223	-	-	-	-	
Ending Fund Balance	1,737,275	2,411,364	-	2,747,364	-	-	-	



Street Maintenance Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

State Shared Revenue: The City's share of the apportionment of Highway Fund revenue (includes Motor Vehicle Fuel Tax Fees, Motor Carrier Fees, DMV Registration Fees, and Road Use Assessment Fees). These funds are distributed under ORS 366.524 and 366.800.

Intergovernmental Revenue: Revenue from other municipalities or governmental agencies. Payment for street sweeping services and public works projects provided to other jurisdictions,

Local Gas Tax Revenue: Revenue from City gas tax from any gas station operating within city boundaries.

Transportation Maintenance Fee (TMF) Revenue: Revenue collected from residents for maintenance of streets within city boundaries if passed by council.

Misc Revenue: Includes but not limited to: unanticipated income and interest income from cash is invested in the Local Government Investment Pool and other investments.

Expenditures

Personnel:

Wages: Utility Worker II (2), Utility Worker I (1.5)

Benefits: Items paid from these line items include: Unemployment claims as the City is self-insured for unemployment, any retirement incentives offered, FICA and Tri-met taxes paid by the City, medical and dental benefits paid for employees (employees pay 5% of the premium costs), life, disability, and workers' compensation insurance, payments into the PERS system for both the employer percentage and the 6% pick up employee portion.

Materials and Services:

Supplies: Safety equipment worn by staff to protect them from injury. Examples: Hardhats, safety goggles, gloves and boots.

Professional Development: Training, travel, and meals related to City business, annual membership dues, professional organization dues, certifications, subscriptions, professional and code books. Cost of travel, meals and lodging while attending training and meetings. Costs for the attendance at street construction/inspection and/or maintenance seminars and training materials. Memberships associated with street repair and maintenance and subscriptions to trade journals.

Utilities: Share of cost of utilities for Public Works Shop. Equipment to control vehicle speeds and routes, i.e., lights, speed humps, barricades, and school zone indicators. Also includes Street Lighting District expense.

Vehicle Operation & Maintenance: Cost share for operation of vehicles including; tractor, backhoe, street sweeper, large and mid-size dump trucks and attachments for work on public streets.



Street Maintenance Fund

Materials and Services: (continued)

Repairs and Maintenance: Maintenance and repairs of non-vehicular equipment. Street name, warning, notification signage, and striping located within the public rights of way. Street sweeping recycling and disposal. Continued equipment repairs and improvements associated with the Public Works Operations Facility. Materials for minor or emergency street repairs such as crushed rock, cold patch, and sealers. Costs due to severe or inclement weather where snow or ice create driving hazards. Cost of debris removal caused by severe wind or rain events. Expenditures related to any emergency events that cause damage to publicly owned infrastructure. Additional equipment rental during special projects or emergency situations.

Contract Services: Cost of using outside organizations or companies for the routine maintenance of streets, such as crack sealing, tree maintenance, and street sweeping. Utilization of traffic and civil engineering consulting services as required for street improvements projects.

Capital Outlay:

Street Reconstruction (Pavement Management Rehabilitation and Preventative Maintenance): Roadway improvements including overlays, sealcoats and other related improvements to assure the preservation of the roadway system and prevent deterioration to a worse condition category. Additional costs are associated with the replacement of streets and roads that have suffered deteriorations rates of 80% or more. All maintenance is based on the Pavement Quality Index.

Potential projects for the current year include:

Spring Mountain Road

Valley View Terrace

Transfers Out:

To General Fund: Amount calculated with cost allocation plan to cover administrative overhead costs. Included in these costs are city administration, finance, payroll, accounts payable, human resources, city recorder, overall administrative costs related to running the city.

To Street Reserve for Replacement Fund: Transfer to accumulate funds for purchases per the Street Reserve for Replacement list.

Other:

Reserved for Future Expenditures: Amount set aside to meet unforeseen circumstances. Will be appropriated based on policy thresholds.



Storm Utility System Development Charges Fund



Storm Utility System Development Charges Fund

Managers: Michael D. Walter, AICP / Chris Randall

ORS 223.297 to 223.314 provides a uniform framework for imposing systems development charges (SDC) by governmental units and established that these charges may only be used for capital improvements. ORS 223.307 sets authorized expenditure of SDC's. Stating improvement fees may be spent only on capacity increasing capital improvements, including expenditures relating to repayment of debt for such improvement. An increase in system capacity may be established if improvement increases level of performance or service provided by existing facilities or provides new facilities. ORS 223.311 requires SDC's be deposited into accounts designated for such monies and an annual accounting of these funds is to be made.

Revenue

Storm Drain SDCs, interest, miscellaneous revenue.

Expenditures

Storm Drain SDCs

Used to complete Capital Storm Drain Projects as identified in the City's Storm Drain Master Plan and Capital Improvement Plan (CIP). Projects are planned within the City's major drainage ways and focused on watershed protection/enhancement activities.

Contract Services

Used to complete Storm and Sewer Master Plans.

	Prece	eding	Adopted Budget	Budget for Fisc		
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted
Materials and Services	-	-	100,000	200,000	200,000	200,000
Capital Outlay	25,658	1,770	798,000	791,000	791,000	791,000
Transfers	-	-	-	400,000	400,000	400,000
Total	25,658	1,770	898,000	1,391,000	1,391,000	1,391,000
Reserve for Future Expenditures	-	-	100,000	-	-	-

Storm Utility System Development Charges (SDC) Fund

	Preceding 2015-16	Preceding 2016-17	Adopted Budget 2017-18	Estimate 2017-18	Proposed Budget 2018-19	Approved Budget 2018-19	Adopted Budget 2018-19
Resources							
Beginning Fund Balance	\$ 700,815	\$ 835,458	\$ 802,000	\$ 925,741	\$ 1,295,000	\$ 1,295,000	\$ 1,295,000
SDC - Storm Drainage SDC - Parks	150,134 -	73,112 -	90,000 100,000	50,000 400,000	90,000	90,000	90,000
Misc Revenue	10,167	18,941	6,000	14,000	6,000	6,000	6,000
Total Resources	861,116	927,511	998,000	1,389,741	1,391,000	1,391,000	1,391,000
Requirements							
Materials and Services							
Contract Services	-	-	100,000	95,000	200,000	200,000	200,000
Total Materials and Services			100,000	95,000	200,000	200,000	200,000
Capital Outlay SDC Projects - Storm Drain	25,658	1,770	798,000	-	791,000	791,000	791,000
Total Capital Outlay	25,658	1,770	798,000	-	791,000	791,000	791,000
Transfers To General Fund	_	_				-	_
To Parks SDC Fund	-	-	-	-	400,000	400,000	400,000
Total Transfers		-			400,000	400,000	400,000
Total Requirements	25,658	1,770	898,000	95,000	1,391,000	1,391,000	1,391,000
Reserve for Future Expenditures	-	-	100,000	-	-	-	-
Ending Fund Balance	835,458	925,741	-	1,294,741	-	-	-



Storm Utility System Development Charges Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

Misc Revenue: Interest earned on cash invested in the Local Government Investment Pool and other investments.

SDC – Storm Drain: SDC's collected on building permits to fund the City's CIP for storm drainage.

Expenditures

Capital Outlay:

Planned projects for Storm Drain

Typical projects include the removal of existing roadside drainage ways with the installation of underground drainage systems including inlets and manhole structures.

- Storm Drain Master Plan update.
- Storm Drain system construction in undeveloped storm drain system areas.
- Partnerships with outside agencies associated with capital storm drain projects within Clackamas County Service District No. 1 (CCSD#1).



Transportation System Development Charges Fund



Transportation System Development Charges Fund

Managers: Michael D. Walter, AICP / Chris Randall

ORS 223.297 to 223.314 provides a uniform framework for imposing systems development charges (SDC) by governmental units and established that these charges may only be used for capital improvements. ORS 223.307 sets authorized expenditure of SDC's. Stating improvement fees may be spent only on capacity increasing capital improvements, including expenditures relating to repayment of debt for such improvement. An increase in system capacity may be established if improvement increases level of performance or service provided by existing facilities or provides new facilities. ORS 223.311 requires systems development charges be deposited into accounts designated for such monies and an annual accounting of these funds is to be made.

Revenue

Transportation SDCs, interest, miscellaneous revenue.

Expenditures

Completion of Capital Transportation Projects as identified in the City's Transportation System Plan (TSP) and Capital Improvement Plan (CIP). Also includes an SDC methodology and administrative documents.

			Adopted	Budget for Fisc	al Year 2018-19	
	Pred	eding	Budget			
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted
Materials and Services	-	-	50,000	300,000	300,000	300,000
Capital Outlay	-	-	-	5,980,000	5,980,000	5,980,000
Transfers	-	-	150,000	-	-	-
Total	-	-	200,000	6,280,000	6,280,000	6,280,000
Reserve for Future Expenditures	-	-	2,805,000	-	-	-

Transportation System Development Charges (SDC) Fund

<u>,</u>	Preceding 2015-16	Preceding 2016-17	Adopted Budget 2017-18	Estimate 2017-18	Proposed Budget 2018-19	Approved Budget 2018-19	Adopted Budget 2018-19
Resources							
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 4,908,000	\$ 4,908,000	\$ 4,908,000
SDC - Transportation Misc Revenue	-	- -	3,000,000 5,000	4,900,000 8,000	1,300,000 72,000	1,300,000 72,000	1,300,000 72,000
Total Resources		-	3,005,000	4,908,000	6,280,000	6,280,000	6,280,000
Requirements							
Materials and Services Contract Services	-	-	50,000	-	300,000	300,000	300,000
Total Materials and Services		-	50,000	-	300,000	300,000	300,000
Capital Outlay SDC Projects	-	-		-	5,980,000	5,980,000	5,980,000
Total Capital Outlay		-	-	-	5,980,000	5,980,000	5,980,000
Transfers To General Fund	-	-	150,000	-		-	-
Total Transfers			150,000		<u> </u>		
Total Requirements			200,000		6,280,000	6,280,000	6,280,000
Reserve for Future Expenditures	-	-	2,805,000	-	-	-	-
Ending Fund Balance	-	-	-	4,908,000	-	-	-



Transportation System Development Charges Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

SDC – Transportation (TSDC's): TSDC's collected on building permits to fund the City's CIP for transportation.

Misc. Revenue: Interest earned on cash invested in the Local Government Investment Pool and other investments.

Expenditures

Materials and Services:

Contract Services: Completion of the Capital Improvement Plan (CIP), SDC methodology, and administrative documents.

Transfers Out:

To General Fund: Administrative fees collected to fund the TSDC Program Manager in the Economic and Community Development Department (Engineering Division).

Other:

Reserved for Future Expenditures: Amount set aside to meet unforeseen circumstances. Will be appropriated based on policy thresholds.



Parks System Development Charges Fund



Parks System Development Charges Fund

Managers: Michael D. Walter, AICP / Chris Randall

ORS 223.297 to 223.314 provides a uniform framework for imposing systems development charges (SDC) by governmental units and established that these charges may only be used for capital improvements. ORS 223.307 sets authorized expenditure of SDC's. Stating improvement fees may be spent only on capacity increasing capital improvements, including expenditures relating to repayment of debt for such improvement. An increase in system capacity may be established if improvement increases level of performance or service provided by existing facilities or provides new facilities. ORS 223.311 requires systems development charges be deposited into accounts designated for such monies and an annual accounting of these funds is to be made.

Revenue

Parks SDCs, interest, miscellaneous revenue.

Expenditures

Completion of Capital Parks Projects as identified in the City's Parks Master Plan and Capital Improvement Plan (CIP). Also includes an SDC methodology and administrative documents.

	Prec	eding	Adopted Budget	Budget for Fiscal Year 2018-19			
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted	
Materials and Services	-	-	-	200,000	200,000	200,000	
Capital Outlay	-	-	-	1,410,000	1,410,000	1,410,000	
Transfers	-	-	-	-	-	-	
Total	-	-	-	1,610,000	1,610,000	1,610,000	
Reserve for Future Expenditures	-	-	-	-	-	-	

Parks System Development Charges (SDC) Fund

•	Preceding 2015-16	Preceding 2016-17	Adopted Budget 2017-18	Estimate 2017-18	Proposed Budget 2018-19	Approved Budget 2018-19	Adopted Budget 2018-19
Resources							
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SDC - Parks	-	-	-	-	1,200,000	1,200,000	1,200,000
Misc Revenue	-	-	-	=	10,000	10,000	10,000
Transfer In	-	-	-	-	400,000	400,000	400,000
Total Resources		<u> </u>		-	1,610,000	1,610,000	1,610,000
Requirements							
Materials and Services							
Contract Services	-	-	-	-	200,000	200,000	200,000
Total Materials and Services			-	-	200,000	200,000	200,000
Capital Outlay							
SDC Projects	-	-	-	-	1,410,000	1,410,000	1,410,000
Total Capital Outlay			-	-	1,410,000	1,410,000	1,410,000
Transfers							
To General Fund	-	-	-	-	-	-	-
Total Transfers		<u> </u>	<u> </u>		<u> </u>		
Total Requirements					1,610,000	1,610,000	1,610,000
Reserve for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	-	-		-	-	-	-



Parks System Development Charges Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

SDC - Parks (PSDC's): PSDC's collected on building permits to fund the City's CIP for Parks.

Misc. Revenue: Interest earned on cash invested in the Local Government Investment Pool and other investments.

Expenditures

Materials and Services:

Contract Services: Completion of the Capital Improvement Plan (CIP), SDC methodology, and administrative documents.

Capital Outlay:

SDC Projects: Capital expenditures on SDC eligible projects.

Other:

Reserved for Future Expenditures: Amount set aside to meet unforeseen circumstances. Will be appropriated based on policy thresholds.



Pedestrian Improvement Projects Fund



Pedestrian Improvement Projects Fund

Managers: Michael D. Walter, AICP / Chris Randall

Purpose of this fund is to account for pedestrian pathways and other improvements based on the City's adopted Pedestrian Master Plan. High priority projects constructed as funds become available. Smaller projects to connect existing pedestrian networks approved by Council annually.

Revenue

Payments from other entities and transfers from the General Fund.

Expenditures

Project engineering and costs for construction of planned pedestrian projects. Amounts allocated annually for Traffic and Public Safety projects as well as for boulevard sidewalk maintenance. Amounts used for matching when grants are awarded to the City.

			Adopted	Budget For Fis	scal Year 2018	- 2019
	Prece	Preceding				
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted
Material and Services	-	-	10,000	30,000	30,000	30,000
Capital Outlay	39,375	109,875	925,708	852,000	852,000	852,000
Transfers	33,352	36,900	46,360	18,000	18,000	18,000
Total	72,727	146,775	982,068	900,000	900,000	900,000

Pedestrian Improvement Projects (PIP) Fund

	eceding		receding 2016-17	Adopted Budget 2017-18	Estimate 2017-18	roposed Budget 2018-19		pproved Budget 2018-19	Adopted Budget 2018-19
Resources									
Beginning Fund Balance	\$ 751,284	\$	814,968	\$ 875,068	\$ 776,051	\$ 790,000	\$	790,000	\$ 790,000
Misc Revenue	4,443		7,858	7,000	9,000	10,000		10,000	10,000
Privilege Tax	131,968		-	-	-	-		-	-
Transfer In - From General Fund	-		100,000	100,000	100,000	100,000		100,000	100,000
Total Resources	887,695		922,826	982,068	885,051	900,000	_	900,000	900,000
Requirements									
Materials and Services									
Contract Engineering	-		-	10,000	-	30,000		30,000	30,000
Total Materials and Services	-			10,000	-	30,000		30,000	30,000
Capital Outlay									
Pedestrian Pathways	39,375		109,875	185,708	50,000	112,000		112,000	112,000
Grant Match	-		-	740,000	-	740,000		740,000	740,000
Total Capital Outlay	39,375		109,875	925,708	50,000	852,000		852,000	 852,000
Transfers									
To General Fund	33,352		36,900	46,360	46,360	18,000		18,000	18,000
Total Transfers	33,352	_	36,900	46,360	46,360	18,000		18,000	18,000
Total Requirements	72,727		146,775	982,068	96,360	900,000		900,000	 900,000
Reserved for Future Expenditures	-		-	-	-	-		-	-
Ending Fund Balance	814,968		776,051	-	788,691	-		-	-



Pedestrian Improvement Projects Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

Misc Revenue: Interest earned on cash invested in the Local Government Investment Pool and other investments.

Privilege Tax: This resource is now part of the right of way fee collected in the General Fund.

Transfers In: Transfer to fund projects.

Expenditures

Materials and Services:

Contract Engineering: Transportation engineering and planning.

Capital Outlay:

Pedestrian Pathways: Construction of pedestrian pathways. The Traffic and Public Safety Committee reviews and prioritizes a list of projects up to \$50,000 per budget cycle to the Public Works Director and City Manager for consideration. Also \$10,000 per budget cycle for the maintenance of boulevard street sidewalks.

Grant Match: Matching funds paid to comply with grant award. Included are the 122nd/129th RFFA grant design engineering phase.

Transfers:

To General Fund: Amount calculated with cost allocation plan to cover administrative overhead costs. Included in these costs are city administration, finance, payroll, accounts payable, human resources, city recorder, overall administrative costs related to running the city.



Facility Capital Projects Fund



Facility Capital Projects Fund

Manager: Travis Warneke, CPA

This fund was created for the construction of new facilities including but not limited to a public works facility and a police station. The timing of these projects is uncertain but the eventual purchase of land and construction of the facilities will be accounted for in this fund.

Revenue

Transfers from the General Fund.

Expenditures

Purchase of land and expenditures related to the construction of facilities.

	Prece	eding	Adopted Budget	Budget For Fiscal Year 2018 - 2019			
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted	
Capital Outlay	-	-	1,500,000	3,800,000	3,800,000	3,800,000	
Total	_	_	1.500.000	3.800.000	3.800.000	3.800.000	

Facility Capital Projects Fund

			Adopted		Proposed	Approved	Adopted
	Preceding 2015-16	Preceding 2016-17	Budget 2017-18	Estimate 2017-18	Budget 2018-19	Budget 2018-19	Budget 2018-19
Resources							
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Transfers In	-	-	1,500,000	1,500,000	2,300,000	2,300,000	2,300,000
Total Resources	-	<u> </u>	1,500,000	1,500,000	3,800,000	3,800,000	3,800,000
Requirements							
Capital Outlay Land	-	-	1,500,000	-	3,800,000	3,800,000	3,800,000
Total Capital Outlay		<u> </u>	1,500,000		3,800,000	3,800,000	3,800,000
Total Requirements		<u>-</u>	1,500,000		3,800,000	3,800,000	3,800,000
Reserved for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	-	-	-	1,500,000		-	-



Facility Capital Projects Fund

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Transfer from General Fund: Amounts from the General Fund to allow for the construction of facilities.

Expenditures

Capital Outlay:

Land: Purchase of land for future facility location.



Parks Capital Projects Fund



Parks Capital Projects Fund

Manager: Travis Warneke, CPA

The Parks Capital Projects Fund resources consist of a transfer from the Parks Fund. These resources will be available to supplement a Parks SDC project when the time comes. Not all SDC projects are 100% SDC eligible so having dedicated funds set aside will help get a project off the ground smoothly.

Revenue

Transfers from the Parks Fund.

Expenditures

Capital expenditures for parks facilities.

	Prec	eding	Adopted Budget	Budget For Fiscal Year 2018 - 2019			
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted	
Capital Outlay	-	-	-	90,000	90,000	90,000	
Total	-	_	-	90,000	90,000	90,000	

Parks Capital Projects Fund

			Adopted		Proposed	Approved	Adopted
	Preceding 2015-16	Preceding 2016-17	Budget 2017-18	Estimate 2017-18	Budget 2018-19	Budget 2018-19	Budget 2018-19
Resources							
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers In	-	-	-	-	90,000	90,000	90,000
Total Resources	-		<u> </u>	-	90,000	90,000	90,000
Requirements							
Capital Outlay SDC Match	-	-	-	-	90,000	90,000	90,000
Total Capital Outlay			-	-	90,000	90,000	90,000
Total Requirements			<u>-</u>	<u>-</u>	90,000	90,000	90,000
Reserved for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	-	<u>-</u>	_	_	-	-	-



Parks Capital Projects Fund

Resources

Transfer from Parks Fund: Amounts from the Parks Fund to supplement Parks SDC eligible projects.

Expenditures

Capital Outlay:

SDC Match: Capital expenditures for parks facilities.



Reserve for General Operations Fund



Reserve for General Operations Fund

Manager: Travis Warneke, CPA

This reserve fund will hold amounts to be accumulated and expended to offset the cyclical nature of general operation resources. The most recent economic downturn highlighted the cyclical nature of revenues in the General Fund and the impact that has on the ability to ensure service delivery in the event of an economic downturn. The amount to be accumulated in this fund along with the conditions for expenditures are set forth in Policy 13-04 - Budget Reserves & Contingency.

Revenue

Transfer from the General Fund for future general operations expenditures.

Expenditures

Will be used to offset the effects of the cyclical nature of revenue generation in the General Fund in future years based on Policy 13-04 – Budget Reserves & Contingency.

The fund will be reviewed to determine whether it will be continued or abolished each year. When it is determined it is no longer necessary to maintain this reserve fund any unexpended balance in the fund will be transferred to another fund. Any unexpended balance is not required to be held for subsequent expenditure for the purposes for which this fund was established.

	Prece	ding	Adopted Budget	Budget For Fiscal Year 2018 - 2019			
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted	
Reserve for Future Expenditures	2,000,000	2,198,974	2,198,974	2,498,974	2,498,974	2,498,974	
Total	2,000,000	2,198,974	2,198,974	2,498,974	2,498,974	2,498,974	

Reserve for General Operations Fund

	Preceding 2015-16	Preceding 2016-17	Adopted Budget 2017-18	Estimate 2017-18	Proposed Budget 2018-19	Approved Budget 2018-19	Adopted Budget 2018-19
Resources							
Beginning Fund Balance	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,198,974	\$ 2,198,974	\$ 2,198,974
Transfer from General Fund	-	198,974	198,974	198,974	300,000	300,000	300,000
Total Resources	2,000,000	2,198,974	2,198,974	2,198,974	2,498,974	2,498,974	2,498,974
Total Reserved for Future Expenditures	2,000,000	2,198,974	2,198,974	2,198,974	2,498,974	2,498,974	2,498,974

Adopted 2016-17 monthly Months of General Fund Operations 5 554,833



Reserve for General Operations Fund

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Transfer from General Fund: Transfer from the General Fund.

Expenditures

Other:

Reserved for Future Expenditures: Amount set aside to meet unforeseen circumstances. Will be appropriated based on policy thresholds.



General Reserve for Replacement Fund



General Reserve for Replacement Fund

Manager: Travis Warneke, CPA

Created to provide a long-term approach to funding the purchase and replacement of equipment and major facility maintenance expenditures. A schedule was established to calculate the amount required annually based on the expected useful life of equipment and facilities. The schedule is reviewed and updated annually based on an assessment of the condition of items along with any additions or deletions of equipment or facilities. The fund will be reviewed to determine whether it will be continued or abolished each year. When it is determined it is no longer necessary to maintain this reserve fund any unexpended balance in the fund will be transferred to another fund. Any unexpended balance is not required to be held for subsequent expenditure for the purposes for which this fund was established. This fund allows the City to save for replacement of all major capital items without having dramatic swings in the General Fund and makes for clear and relevant analysis of operating trends.

Revenue

Transfers from the General Fund, PEG revenue, interest.

Expenditures

Repair and replacement of Items listed on the replacement schedules. The schedules are reviewed periodically throughout the year and annually for the budget process. The assumptions used to create the schedules are reviewed for validity and changed if required. The transfers out are the Library and Street reserve balances to create their own reserve funds. The Public Safety reserve balance was transferred back to the Public Safety fund.

_ aagot caa.y.	D "		Adopted	Budget For Fiscal Year 2018 - 2019			
	Preced 2015-16	2016-17	Budget 2017-18	Proposed	Approved	Adopted	
Material and Services	238,539	159,608	665,000	665,000	665,000	665,000	
Capital Outlay	50,532	775,579	950,000	900,000	900,000	900,000	
Transfers Out	-	-	2,842,900	-	-	-	
Total	289,071	935,187	4,457,900	1,565,000	1,565,000	1,565,000	
Reserved for Future Expenditures	-	-	461,100	505,000	505,000	505,000	

General Reserve for Replacement Fund

•			Adopted		Proposed	Approved	Adopted
	Preceding	Preceding	Budget	Estimate	Budget	Budget	Budget
	2015-16	2016-17	2017-18	2017-18	2018-19	2018-19	2018-19
Resources							
Beginning Fund Balance	\$ 1,851,842	\$ 2,831,266	\$ 4,500,000	\$ 4,447,884	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
PEG revenue	161,595	176,495	65,000	60,000	65,000	65,000	65,000
Misc Revenue	-	25,310	4,000	-	5,000	5,000	5,000
Transfers In	1,107,000	2,350,000	350,000	350,000	500,000	500,000	500,000
Total Resources	3,120,437	5,383,071	4,919,000	4,857,884	2,070,000	2,070,000	2,070,000
Requirements							
Materials and Services							
Equipment - under \$5,000	161,980	120,384	150,000	85,000	150,000	150,000	150,000
Repairs and Maintenance	76,559	39,224	500,000	70,000	500,000	500,000	500,000
Education Benefits	-	-	15,000	- -	15,000	15,000	15,000
Total Materials and Services	238,539	159,608	665,000	155,000	665,000	665,000	665,000
Capital Outlay							
Vehicles	2,376	3,750	300,000	120,000	300,000	300,000	300,000
Equipment - over \$5,000	29,791	90,723	400,000	70,000	400,000	400,000	400,000
Park Improvements	18,365	603,503	50,000	90,000	-	-	-
Facility Improvements	-	77,603	100,000	120,000	100,000	100,000	100,000
PEG Grants	-	-	100,000	-	100,000	100,000	100,000
Total Capital Outlay	50,532	775,579	950,000	400,000	900,000	900,000	900,000
Transfers							
To Street Reserve Fund	-	_	330,900	330,900	_	_	_
To Public Safety Fund	-	_	62,000	62,000	_	_	_
To Library Reserve Fund	-	-	2,450,000	2,450,000	-	-	-
Total Transfers		-	2,842,900	2,842,900			
Total Requirements	200.074	025 107	4.457.000		1 565 000	1 565 000	1 565 000
i otai ivedali elliellis	289,071	935,187	4,457,900	3,397,900	1,565,000	1,565,000	1,565,000
Reserved for Future Expenditures	-	-	461,100	-	505,000	505,000	505,000
Ending Fund Balance	2,831,366	4,447,884	-	1,459,984	-	-	-



General Reserve for Replacement Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous year.

PEG Revenue: Cable PEG fees collected for Public, Educational and Governmental access.

Misc Revenue: Includes interest income from cash in the Local Government Investment Pool.

Transfers In: Amounts from the General Fund per replacement schedules.

Expenditures

Materials and Services:

Equipment – under \$5,000: Equipment per replacement schedules.

Repairs and Maintenance: Repairs and maintenance items per replacement schedules.

Education Benefits: Benefits provided to staff for education.

Capital Outlay:

Vehicles: Vehicles per replacement schedules.

Equipment – over \$5,000: Equipment per replacement schedules.

Facility Improvements: Facility improvements per replacement schedules.

Park Improvements: Park improvements scheduled for the current budget year per Council direction.

PEG Grants: Grants awarded based on criteria.

Other:

Reserved for Future Expenditures: Amount set aside to meet unforeseen circumstances. Will be appropriated based on policy thresholds.



Library Reserve for Replacement Fund



Library Reserve for Replacement Fund

Manager: Travis Warneke, CPA

Created to provide a long-term approach to funding the purchase and replacement of equipment and major facility maintenance expenditures associated with the Library. A schedule was established to calculate the amount required annually based on the expected useful life of equipment and facilities. The schedule is reviewed and updated annually based on an assessment of the condition of items along with any additions or deletions of equipment or facilities.

The fund will be reviewed to determine whether it will be continued or eliminated each year. When it is determined it is no longer necessary to maintain this reserve fund any unexpended balance in the fund will be transferred to the Library Fund. Any unexpended balance is not required to be held for subsequent expenditure for the purposes for which this fund was established.

This fund allows the City to save for replacement of all major library capital items without having dramatic swings in the operating Library Fund and makes for clear and relevant analysis of operating trends.

Revenue

Transfers from the Library Fund and interest earned on amounts invested in the Local Government Investment Pool and other investments.

Expenditures

Repair and replacement of Items listed on the replacement schedules. The schedules are reviewed periodically throughout the year and annually for the budget process. The assumptions used to create the schedules are reviewed for validity and changed if required.

	Preceding		Adopted Budget	Budget For Fiscal Year 2018 - 2019			
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted	
Material and Services	-	-	150,000	150,000	150,000	150,000	
Capital Outlay	-	-	600,000	600,000	600,000	600,000	
Total	-	-	750,000	750,000	750,000	750,000	
Reserved for Future Expenditures	_	_	2,404,000	2,925,785	2,925,785	2,925,785	

Library Reserve for Replacement Fund

Library Reserve for Rep	Preceding Preceding 2015-16 2016-17		Adopted Budget Estimate 2017-18 2017-18		Proposed Budget 2018-19	Approved Budget 2018-19	Adopted Budget 2018-19	
Resources								
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 3,121,785	\$ 3,121,785	\$ 3,121,785	
Misc Revenue Transfers In	- -	- -	4,000 3,150,000	- 3,121,785	4,000 550,000	4,000 550,000	4,000 550,000	
Total Resources	-	<u>-</u>	3,154,000	3,121,785	3,675,785	3,675,785	3,675,785	
Requirements								
Materials and Services								
Equipment - under \$5,000 Repairs and Maintenance	-	-	50,000 100,000	- -	50,000 100,000	50,000 100,000	50,000 100,000	
Total Materials and Services		-	150,000	<u> </u>	150,000	150,000	150,000	
Capital Outlay Equipment - over \$5,000 Facility Improvements	- -	- -	500,000 100,000	- -	500,000 100,000	500,000 100,000	500,000 100,000	
Total Capital Outlay		-	600,000		600,000	600,000	600,000	
Total Requirements			750,000		750,000	750,000	750,000	
Reserved for Future Expenditures	-	-	2,404,000	-	2,925,785	2,925,785	2,925,785	
Ending Fund Balance	-	-	-	3,121,785	-	-	-	



Library Reserve for Replacement Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous year.

Transfers In: Amounts from the Library Fund per the replacement schedule.

Expenditures

Materials and Services:

Equipment – under \$5,000: Equipment per replacement schedules.

Repairs and Maintenance: Repairs and maintenance items per replacement schedules.

Capital Outlay:

Vehicles: Vehicles per replacement schedules.

Equipment – over \$5,000: Equipment per replacement schedules.

Facility Improvements: Facility improvements per replacement schedules.

Other:

Reserved for Future Expenditures: Amount set aside to meet unforeseen circumstances. Will be appropriated based on policy thresholds.



Street Reserve for Replacement Fund



Street Reserve for Replacement Fund

Manager: Travis Warneke, CPA

Created to provide a long-term approach to funding the purchase and replacement of equipment and major facility maintenance expenditures associated with the street maintenance. A schedule was established to calculate the amount required annually based on the expected useful life of equipment and facilities. The schedule is reviewed and updated annually based on an assessment of the condition of items along with any additions or deletions of equipment or facilities.

The fund will be reviewed to determine whether it will be continued or eliminated each year. When it is determined it is no longer necessary to maintain this reserve fund any unexpended balance in the fund will be transferred to the Street Fund. Any unexpended balance is not required to be held for subsequent expenditure for the purposes for which this fund was established.

This fund allows the City to save for replacement of all major street capital equipment items without having dramatic swings in the Street Maintenance Fund and makes for clear and relevant analysis of operating trends.

Revenue

Transfers from the Street Fund and interest earned on amounts invested in the Local Government Investment Pool and other investments.

Expenditures

Repair and replacement of Items listed on the replacement schedules. The schedules are reviewed periodically throughout the year and annually for the budget process. The assumptions used to create the schedules are reviewed for validity and changed if required.

Budget Summary:

	Preceding 2015-16 2016-17		Adopted	Budget For Fiscal Year 2018 - 2019			
			Budget 2017-18	Proposed	Adopted		
	2013-10	2010-17	2017-10	Порозец	Approved	Adopted	
Material and Services	-	-	75,000	125,000	125,000	125,000	
Capital Outlay	-	-	356,900	500,900	500,900	500,900	
Total	-	-	431,900	625,900	625,900	625,900	
Reserved for Future Expenditures	-	-	-	1,550,000	1,550,000	1,550,000	

Street Reserve for Replacement Fund

			Adopted		Proposed	Approved	Adopted
	Preceding	Preceding	Budget	Estimate	Budget	Budget	Budget
	2015-16	2016-17	2017-18	2017-18	2018-19	2018-19	2018-19
Resources							
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 425,900	\$ 425,900	\$ 425,900
Misc Revenue	-	-	1,000	10,000	100,000	100,000	100,000
Transfers In	-	-	430,900	430,900	1,650,000	1,650,000	1,650,000
Total Resources	<u> </u>	-	431,900	440,900	2,175,900	2,175,900	2,175,900
Requirements							
Materials and Services							
Equipment - under \$5,000	-	-	25,000	15,000	25,000	25,000	25,000
Repairs and Maintenance	-	-	50,000	-	100,000	100,000	100,000
Total Materials and Services	-	<u> </u>	75,000	15,000	125,000	125,000	125,000
Capital Outlay							
Vehicles	-	-	80,000	-	80,000	80,000	80,000
Equipment - over \$5,000	-	-	276,900	-	420,900	420,900	420,900
Total Capital Outlay	-		356,900		500,900	500,900	500,900
Total Requirements	<u> </u>		431,900	15,000	625,900	625,900	625,900
Reserved for Future Expenditures							
Fee in Lieu	-	-	-	-	1,550,000	1,550,000	1,550,000
Ending Fund Balance	-	-	_	425,900	_	-	-



Street Reserve for Replacement Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous year.

Transfers In: Amounts from the Street Fund per the replacement schedule.

Expenditures

Materials and Services:

Equipment – under \$5,000: Equipment per replacement schedules.

Repairs and Maintenance: Repairs and maintenance items per replacement schedules.

Capital Outlay:

Vehicles: Vehicles per replacement schedules.

Equipment – over \$5,000: Equipment per replacement schedules.



Parks Reserve for Replacement Fund



Parks Reserve for Replacement Fund

Manager: Travis Warneke, CPA

Created to provide a long-term approach to funding the purchase and replacement of equipment and major facility maintenance expenditures associated with park maintenance. A schedule was established to calculate the amount required annually based on the expected useful life of equipment and facilities. The schedule is reviewed and updated annually based on an assessment of the condition of items along with any additions or deletions of equipment or facilities.

The fund will be reviewed to determine whether it will be continued or eliminated each year. When it is determined it is no longer necessary to maintain this reserve fund any unexpended balance in the fund will be transferred to the Parks Fund. Any unexpended balance is not required to be held for subsequent expenditure for the purposes for which this fund was established.

This fund allows the City to save for replacement of all major park capital equipment items without having dramatic swings in the Parks Fund and makes for clear and relevant analysis of operating trends.

Revenue

Transfers from the Parks Fund and interest earned on amounts invested in the Local Government Investment Pool and other investments.

Expenditures

Repair and replacement of items listed on the replacement schedules. The schedules are reviewed periodically throughout the year and annually for the budget process. The assumptions used to create the schedules are reviewed for validity and changed if required.

Budget Summary:

	Preceding		Adopted Budget	Budget For Fiscal Year 2018 - 2019			
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted	
Material and Services	-	-	-	150,000	150,000	150,000	
Capital Outlay	-	-	-	275,000	275,000	275,000	
Total	-	-	-	425,000	425,000	425,000	
Reserved for Future Expenditures	_	_	_	-	<u>-</u>	-	

Parks Reserve for Replacement Fund

	eding 5-16	Prece 2010	-	Adopted Budget 2017-18	timate 17-18	roposed Budget 2018-19	E	pproved Budget 018-19	E	dopted Budget 018-19
Resources										
Beginning Fund Balance	\$ -	\$	-	\$ -	\$ -	\$ -	\$	-	\$	-
Misc Revenue	-		-	-	-	-		-		-
Transfers In	-		-	-	-	425,000		425,000		425,000
Total Resources	 -		-	-	 	425,000		425,000		425,000
Requirements										
Materials and Services										
Equipment - under \$5,000	-		-	-	-	50,000		50,000		50,000
Repairs and Maintenance	-		-	-	-	100,000		100,000		100,000
Total Materials and Services	 		-	-	-	150,000		150,000		150,000
Capital Outlay										
Equipment - over \$5,000	-		-	-	-	200,000		200,000		200,000
Facility Improvements	-		-	-	-	75,000		75,000		75,000
Total Capital Outlay			-		 	275,000		275,000		275,000
Total Requirements	 		-		 	425,000		425,000		425,000
Reserved for Future Expenditures	-		-	-	-	-		-		-
Ending Fund Balance	_		_	_	_	_		_		_



Parks Reserve for Replacement Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous year.

Transfers In: Amounts from the Parks Fund per the replacement schedule.

Expenditures

Materials and Services:

Equipment – under \$5,000: Equipment per replacement schedules.

Repairs and Maintenance: Repairs and maintenance items per replacement schedules.

Capital Outlay:

Equipment – over \$5,000: Equipment per replacement schedules.

Facility Improvements: Facility improvements per replacement schedules.



Reserve for Debt Service Fund



Reserve for Debt Service Fund

Manager: Travis Warneke, CPA

Created to pay debt payments for City of Happy Valley, Oregon Full Faith and Credit Obligations Series 2007 issued August 15, 2007. The final transfer from the General Fund was made with the 2016-17 budget. The total outstanding balance of the debt obligations was paid March 27, 2017. This fund will no longer be used but will be shown for historical purposes.

Revenue

Transfer from the General Fund.

Expenditures

Principal and interest payments for City of Happy Valley, Oregon full Faith and Credit Obligations Series 2007 issued August 15, 2007.

Budget Summary:

	Preceding		Adopted	· ·			
			Budget	D	A	A -l 4l	
	2015-16	2016-17	2017-18	Proposed	Approved	Adopted	
Debt Service	371,700	3,603,513	-	-	-	-	
Total Expenditures	371,700	3,603,513	-	-	-	-	
Reserve for Future Expenditures	2,618,487	-	-	-	-	-	
Total	2,990,187	3,603,513	-	-	-	-	



Reserve for Debt Service Fund

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Transfer from General Fund: General Fund amount for Debt Service principal and interest payment.

Expenditures

Debt Service:

Principal Payment: Principal payment due on repayment of debt per schedule. Final payment was made in March 2017.

Interest Payment: Interest payment due on repayment of debt per schedule. Final payment was made in March 2017.

Other:

Reserved for Future Expenditures: Amount set aside to meet unforeseen circumstances.



Notices and Resolutions



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AFFIDAVIT OF PUBLICATION

State of Oregon, County of Clackamas, SS I, Charlotte Allsop, being the first duly sworn, depose and say that I am the Accounting Manager of the **Clackamas Review, Estacada News, Oregon City News**, a newspaper of general circulation, serving Clackamas, Estacada, Oregon City in the aforesaid county and state, as defined by ORS 193.010 and 193.020, that

CITY OF HAPPY VALLEY Notice of Budget Committee Meeting Ad#: 43571

A copy of which is hereto annexed, was published in the entire issue of said newspaper(s) for 1 week(s) in the following issue(s): 04/25/2018, 04/26/2018

_ hav wife Cluf Charlotte Allsop (Accounting Manager)

Subscribed and sworn to before me this 04/26/2018.

NOTARY PUBLIC FOR OREGON

Acct #: 112191 Attn: TRAVIS WARNEKE HAPPY VALLEY, CITY OF 16000 SE MISTY DR HAPPY VALLEY, OR 97086



NOTICE OF BUDGET COMMITTEE MEETING

A public meeting of the Budget Committee of the City of Happy Valley, Clackamas County, State of Oregon, to discuss the budget for fiscal year July 1, 2018 to June 30, 2019 will be held at City Hall, 16000 SE Misty Drive, Happy Valley, OR 97086. The meeting will take place on May 14th, 2018 at 6:00 PM. The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget. A copy of the budget document may be inspected or obtained on or after May 7, 2018 at City Hall, 16000 SE Misty Drive, Happy Valley during normal business hours. This notice and the proposed budget for fiscal year 2018-19 will be posted on the city website: www.happy-valleyor.gov. This is a public meeting where deliberation of the Budget Committee will take place. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee. Publish 04/25/2018.



6605 SE Lake Road, Portland, OR 97222 PO Box 22109 Portland, OR 97269-2169 Phone: 503-684-0360 Fax: 503-620-3433 E-mail: legals@commnewspapers.com

AFFIDAVIT OF PUBLICATION

State of Oregon, County of Clackamas, SS I, Jaime McClaren, being the first duly sworn, depose and say that I am the Accounting Manager of the Clackamas Review, Estacada News, Oregon City News, a newspaper of general circulation, serving Clackamas, Estacada, Oregon City, in the aforesaid county and state, as defined by ORS 193.010 and 193.020, that

Owner: City of Happy Valley

Description: Form LB-1 Notice of Budget

Hearing

Ad#: 48768

A copy of which is hereto annexed, was published in the entire issue of said newspaper for 1 week(s) in the

following issue(s):

05/23/2018, 05/24/2018

Jaime McClaren (Accounting Manager)

Subscribed and sworn to before me this

05/24/2018.

NOTARY PUBLIC FOR OREGON

Acct #: 112191 **Attn: Travis Warneke** HAPPY VALLEY, CITY OF 16000 SE MISTY DR HAPPY VALLEY, OR 97086



FORM LB-1

NOTICE OF BUDGET HEARING

A public meeting of the City of Happy Valley, will be held on June 5, 2016 at 7:00pm at City Hall. 16000 SE Misty Drive, Happy Valley, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2018 as approved by the City of Happy Valley Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at City Hall. 16000 SE Misty Drive, Happy Valley. OR between the hours of 8 30 a m. and 4:30 p.m. or online at www.happyvalley.or. Drive Valley. OR between the hours of 8 30 a m. and 4:30 p.m. or online at www.happyvalley.or.gov. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

Contact: Travis Warneke, Finance Director

Telephone: 503-783-3800 Email: travisw@happyvalleyor.gov

FINANCIAL SUMMARY - RESOURCES							
TOTAL OF ALL FUNDS	Actual Amount 2016-17	Adopted Budget This Year 2017-18	Approved Budget Next Year 2018-19				
Beginning Fund Balance/Net Working Capital	18,746,896	16,496,971	25,954,606				
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	5,898,632	7,087,900	7,366,000				
Federal, State and all Other Grants, Gifts, Allocations and Donations	4,663,478	4,570,877	5,299,150				
Interfund Transfers / Internal Service Reimbursements	4,748,964	7,405,698	7,533,000				
All Other Resources Except Current Year Property Taxes	777,887	630,750	605,000				
Current Year Property Taxes Estimated to be Received	4,906,710	5,102,000	7,487,000				
Total Resources	39,742,567	41,293,296	54,244,756				

FINANCIAL SUMMARY - REQUIRE	MENTS BY OBJECT CLASSIFICATION		tille sig sagnidusines y
Personnel Services	6,424,825	7,030,600	8,019,900
Materials and Services	5,530,382	7,193,000	9,369,700
Capital Outlay	914,946	6,071,736	17,044,414
Debt Service	3,603,513	0	0
Interfund Transfers	4,748,964	7,405,698	7,533,000
Contingencies	0	4,207,965	4,797,983
Unappropriated Ending Balance and Reserved for Future Expenditure	18,519,937	9,384,297	7,479,759
Total Requirements	39,742,567	41,293,296	54,244,756

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUI	ALENT EMPLOYEES (FTE) BY ORGANIZA	TIONAL UNIT OR PROGRAM *	
Name of Organizational Unit or Program FTE for that unit or program			
General Administration	2,352,090	2,641,000	2,840,100
FIE	10.00	11.00	11.00
Community Services / Public Safety	1,088,255	1,166,500	1,175,400
FTE	11,00	11.00	10.00
Economic & Community Development	2,351,234	2,613,100	3,128,700
FTE	19.00	21.00	20.00
Public Works	569,920	748,100	773,600
ΠE	4.00	4.00	4.00
Parks	385,392	920,450	2,204,700
FTE	2.00	2.00	4.50
Streets	1,980,312	3,303,451	6,657,414
FTE	3.00	3.00	3.50
Library	3,924,735	7,276,000	7,617,287
FIE	14.60	15.60	17.00
Not Allocated to Organizational Unit or Program	27,090,629	22,524,695	29,847,555
FTE	0.00	0.00	0.00
Total Requirements	39,742,567	41,193,296	54,244,756
Total FTE	63.60	67.60	70.00

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

This budget includes a change from the previous budget with several new funds being added. The Parks System Development Charges (SDC) Fund will account for the city's parks system SDC function. This function was previously provided by the North Clackamas Parks and Recreation District. The decision was made to exit the district as of January 1, 2018 and take control of park development within the City. The Parks Capital Projects Fund resources consist of a transfer from the Parks Fund. These resources will be available to supplement a Parks SDC project when the time comes. The Parks Reserve for Replacement will account for the replacement of capital assets and equipment related to parks. This fund will have a replacement list and schedule for its specific set of items. We continue to experience robust activity so this budget adds staff positions and increases our reserve funds to maintain a balance between spending on current needs and reserving money for the future. FTE increased 2.4 overall from the perevious budget. This increase consists of 2.5 FTE in Parks and Recreation, 5 FTE increase in the Streets Fund, a decrease 1.0 FTE for Economic and Community Development and a decrease of 1.0 FTE for Community Services and Public Safety in the General Fund. There is also a 1.4 FTE increase in the Library Fund due to a better approximation of part time hours.

PROPERTY TAX LEVIES							
	Rate or Amount Imposed 2016-17	Rate or Amount Imposed This Year 2017-18	Rate or Amount Approved Next Year 2018-19				
Permanent Rate Levy (rate limit 67.1 cents per \$1,000)	0.671	0.671	0.671				
Local Option Levy - Public Safety	1.380	1.380	1.380				
Local Option Levy - Parks	0.540	0.540	0.540				
Levy For General Obligation Bonds	0	0	0				

STATEMENT OF INDEBTEDNESS					
LONG TERM DEBT	Estimated Debt Outstanding	Estimated Debt Authorized, But Not Incurred on July 1			
General Obligation Bonds	on July 1.	Not incurred on July 1			
Other Bonds	\$0	\$0			
Other Borrowings	\$0	\$0			
Total	\$0	\$0			

Publish May 23, 2018.

CLK48768

RESOLUTION ADOPTING THE BUDGET FOR FISCAL YEAR 2018-19, APPROPRIATING FUNDS, IMPOSING AND CATEGORIZING THE TAXES

ADOPTING THE BUDGET

BE IT RESOLVED the CITY OF HAPPY VALLEY hereby adopts the budget for fiscal year 2018-2019 now on file at City Hall in the sum of \$54,169,756.*

MAKING APPROPRIATIONS

BE IT RESOLVED the amounts for the fiscal year beginning July 1, 2018, and for the purposes shown below are hereby appropriated as follows:

GENERAL FUND	
Administration	2,840,100
Community Services & Public Safety	1,175,400
Economic & Community Development	3,128,700
Public Works	773,600
Transfers	3,200,000
Contingency	2,702,357
FUND TOTAL	13,820,157
PARKS FUND	
Operations	461,000
Programming	357,600
Non-Departmental	80,000
Transfers	648,000
Contingency	158,100
FUND TOTAL	1,704,700
STREET FUND	
Personal Services	394,500
Materials & Services	426,500
Capital Outlay	1,835,514
Transfers	1,825,000
FUND TOTAL	4,481,514
PUBLIC SAFETY FUND	
Materials & Services	3,692,000
Capital Outlay	10,000
Transfers	452,000
Contingency	1,151,224
FUND TOTAL	5,305,224

MAKING APPROPRIATIONS, CONTINUED:

LIBRARY FUND	
Personal Services	1,557,200
Materials & Services	608,000
Transfers	990,000
Contingency	786,302
FUND TOTAL	3,941,502
STORM UTILITY SDC FUND	···
Materials & Services	200,000
Capital Outlay	791,000
Transfers	400,000
FUND TOTAL	1,391,000
TRANSPORTATION SDC FUND	=
Materials & Services	300,000
Capital Outlay	5,980,000
FUND TOTAL	6,280,000
PARKS SDC FUND	
Materials & Services	200,000
Capital Outlay	1,410,000
FUND TOTAL	1,610,000
PEDESTRIAN IMPROVEMENT PROJ	IECTS FUN
Materials & Services	30,000
Capital Outlay	852,000
Transfers	18,000
FUND TOTAL	900,000
FACILITY CAPITAL PROJECTS FUN	(D
Capital Outlay	3,800,000
FUND TOTAL	3,800,000
PARKS CAPITAL PROJECTS FUND	
Capital Outlay	90,000
FUND TOTAL	90,000

MAKING APPROPRIATIONS, CONTINUED:

GENERAL RESERVE FOR REPLA	CEMENT FU
Materials & Services	665,000
Capital Outlay	900,000
FUND TOTAL	1,565,000
LIBRARY RESERVE FOR REPLA	CEMENT FUN
Materials & Services	150,000
Capital Outlay	600,000
FUND TOTAL	750,000
STREET RESERVE FOR REPLAC	EMENT FUNI
Materials & Services	125,000
Capital Outlay	500,900
FUND TOTAL	625,900
PARKS RESERVE FOR REPLACE	EMENT FUND
Materials & Services	150,000

TOTAL APPROPRIATIONS ALL FUNDS

Capital Outlay

46,689,997 *

275,000

425,000

IMPOSING AND CATEGORIZING TAXES

FUND TOTAL

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Happy Valley hereby imposes the taxes provided for in the adopted budget at the rate of \$0.6710 per \$1,000 of the assessed value for operations and at the rate of \$1.3800 per \$1,000 of the assessed value for operations for the Public Safety five year local option levy and at the rate of \$0.5400 per \$1,000 of the assessed value for operations for the Parks five year local option levy; and that these taxes are hereby imposed and categorized for tax year 2018-2019 upon the assessed value of all taxable property within the City

^{*} Note the total appropriation amount is not equal to the amount of the total adopted budget. This is due to a total of \$7,479,759 categorized as Reserved for Future Expenditures in three of the funds. Reserved for Future Expenditures are not appropriated which accounts for the difference between total appropriations and total budget.

	Subject to the General Government Limitation	Excluded from the Limitation
GENERAL FUND	\$0.6710/\$1000	\$-0-
PUBLIC SAFETY FUND	\$1.3800/\$1000	\$- 0-
PARKS FUND	\$0.5400/\$1000	\$-0-

BE IT RESOLVED that this resolution is and shall be effective immediately from and after its adoption by the Council.

PASSED by the City Council this 5th day of June 2018.

APPROVED by the Mayor this 5th day of June 2018.

Lori Chavez-DeRemor, Mayor

ATTEST:

Ben Bryant, Assistant City Manager

A RESOLUTION DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUES

The City of Happy Valley ordains as follows:

Section 1. Pursuant to ORS 221.770, the City hereby elects to receive state revenues for fiscal year 2018-2019.

Section 2. This resolution shall take effect immediately upon signing by the Mayor.

Passed by the City Council this 5th day of June 2018.

Approved by the Mayor this 5th day of June 2018.

Lori Chavez-DeRemer, Mayor

ATTEST:

Ben Bryant

Assistant City Manager

I certify that a public hearing before the Budget Committee was held on Monday, May 14, 2018 and a public hearing before the City Council was held on Tuesday, June 5, 2018, giving citizens an opportunity to comment on the use of State Revenue Sharing.

Ben Bryant, Assistant City Manager

CITY OF HAPPY VALLEY

RESOLUTION NO. 18-38

RESOLUTION CERTIFYING PROVISION OF FOUR OR MORE MUNICIPAL SERVICES

WHEREAS, ORS 221.760 provides as follows:

Section 1. The officer responsible for disbursing funds to cities under ORS 323.455, 366.785 to 366.820 and 471.805 shall, in the case of a city located within a county having more than 100,000 inhabitants according to the most recent federal decennial census, disburse such funds only if the city provides four or more of the following services:

- (1) Police Protection
- (2) Fire Protection
- (3) Street construction, maintenance and lighting
- (4) Sanitary Sewer
- (5) Storm sewers
- (6) Planning, zoning, and subdivision control
- (7) One or more utility services

and

WHEREAS, city officials recognize the desirability of assisting the state officer responsible for determining the eligibility of cities to receive such funds in accordance with ORS 221.760, now, therefore,

BE IT RESOLVED, that the City of Happy Valley hereby certifies that it provides the following four municipal services enumerated in Section 1, ORS 221.760:

Police Protection Street construction, maintenance Storm sewers Planning, zoning, and subdivision control Parks

This resolution shall take effect immediately upon signing by the Mayor.

PASSED by the City Council this 5th day of June 2018. APPROVED by the Mayor this 5th day of June 2018.

Lori Chavez-DeRemer, Mayor

ATTEST:

Ben Bryant, Assistant City

Manager

A RESOLUTION DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUES

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Passed by the City Council this 5th day of June 2018.

Approved by the Mayor this 5th day of June 2018.

Lori Chavez-DeRemer, Mayor

ATTEST:

Ben Bryant

Assistant City Manager

I certify that a public hearing before the Budget Committee was held on Monday, May 14, 2018 and a public hearing before the City Council was held on Tuesday, June 5, 2018, giving citizens an opportunity to comment on the use of State Revenue Sharing.

Ben Bryant, Assistant City Manager

CITY OF HAPPY VALLEY

RESOLUTION NO. 18-37

RESOLUTION CREATING A NEW RESERVE FUND TO CREATE A LONG-TERM APPROACH TO FUND THE PURCHASE AND REPLACEMENT OF EQUIPMENT AND MAJOR FACILITY MAINTENANCE AND PURCHASE EXPENDITURES

WHEREAS, the City of Happy Valley desires to reserve funds to create a long-term approach to fund the purchase and replacement of equipment and major facility maintenance expenditures in the Parks Fund;

WHEREAS, the City Council realizes the need to purchase and expend on major items when those items fail even during economic downturns and without significant impact to services during a fiscal year;

WHEREAS, the City Council has determined amounts should be set aside beginning with the 2018-19 fiscal year budget;

WHEREAS, ORS 294.346 permits the City, via resolution of the Council, to establish reserve funds to hold monies to be accumulated and expended for financing costs of any service, project, property or equipment which the City has the lawful power to perform, construct or acquire.

NOW, THEREFORE BE IT RESOLVED:

- Section 1. The City Council, consistent with ORS 294.346 hereby creates a Reserve Fund entitled "RESERVE FOR REPLACEMENT PARKS FUND" beginning with the 2018-2019 fiscal year (July 1,2018).
- Section 2. A transfer from the Parks Fund will be made to the Reserve for Replacement Parks Fund per the 2018-19 budget with future contributions determined during the budget process.
- Section 3. This fund shall be used to address the City's need to provide necessary equipment and major facility maintenance per the replacement schedules created.
- Section 4. The Fund shall be reviewed each year during the budget process to determine if it will be continued or abolished. When it is determined the Fund is no longer necessary, any unexpended balance will be transferred to the fund of origin and is not required to be held for subsequent expenditure for the purposes for which the fund was established.
- Section 5. This resolution shall be and is effective as of the date of its adoption by the Happy Valley City Council

PASSED by the City Council this 5th day of June 2018.

APPROVED by the Mayor this 5th day of June 2018.

Lori Chavez-DeRemer, Mayor

Attest: Bar Egg

Ben Bryant, Assistant City Manager



Tax Rates by Tax Code

Total Assessed Value 2,704,858,083

Average Education 5.40

Average Gen Gov 8.05

Summary of Tax Rates by Tax C	ode					Α	verage Taxes	16.21
Tax Code	012-149	012-158	012-188		012-194		012-195	012-196
Assessed Valuation	\$ 2,234,485,453	\$ 216,246,142	\$ 67,292,331	\$	65,366,975	\$	7,090,531	\$ 13,297,010
M-50 Consolidated Tax Rate	17.1952	17.1952	17.1952		17.1952		17.1952	17.1952
Clackamas Community College	0.5548	0.5548	0.5548		0.5548		0.5548	0.5548
ESD Clackamas	0.3670	0.3670	0.3670		0.3670		0.3670	0.3670
N Clackamas SD #12	4.7907	4.7907	4.7907		4.7907		4.7907	4.7907
Total Education	5.7125	5.7125	5.7125		5.7125		5.7125	5.7125
City of Happy Valley Permanent Rate	0.6710	0.6710	0.6710		0.6710		0.6710	0.6710
City of Happy Valley Public Safety	1.3800	1.3800	1.3800		1.3800		1.3800	1.3800
Clackamas County	2.4033	2.4033	2.4033		2.4033		2.4033	2.4033
County Extension & 4H	0.0498	0.0498	0.0498		0.0498		0.0498	0.0498
County Library	0.3956	0.3956	0.3956		0.3956		0.3956	0.3956
County Public Safety Loc Opt 2006	0.2480	0.2480	0.2480		0.2480		0.2480	0.2480
County Soil Cons	0.0498	0.0498	0.0498		0.0498		0.0498	0.0498
FD #1	2.3765	2.3765	2.3765		2.3765		2.3765	2.3765
N Clackamas Parks	0.5296	0.5296	0.5296		0.5296		0.5296	0.5296
Port of Portland	0.0698	0.0698	0.0698		0.0698		0.0698	0.0698
Service District 2 Metro	0.0960	0.0960	0.0960		0.0960		0.0960	0.0960
Service District 2 Metro Loc Opt 2013	0.0960	0.0960	0.0960		0.0960		0.0960	0.0960
Urban Renewal	0.1355	0.1355	0.1355		0.1355		0.1355	0.1355
Vector Control	0.0065	0.0065	0.0065		0.0065		0.0065	0.0065
Vector Control LOC OPT 2005	0.0250	0.0250	0.0250		0.0250		0.0250	0.0250
Total General Government	8.5324	8.5324	8.5324		8.5324		8.5324	8.5324
				,				
Community College Bond CCC	0.1409	0.1409	0.1409		0.1409		0.1409	0.1409
Community College Bond CCC #2	0.0456	0.0456	0.0456		0.0456		0.0456	0.0456
County Emergency Radio Bond 20	0.1000	0.1000	0.1000		0.1000		0.1000	0.1000
FD #1 Bond	0.1063	0.1063	0.1063		0.1063		0.1063	0.1063
N Clackamas SD #12 Bond	0.7798	0.7798	0.7798		0.7798		0.7798	0.7798
N Clackamas SD #12 Bond 2006	1.5615	1.5615	1.5615		1.5615		1.5615	1.5615
Service #2 Metro Bond 2006	0.2162	 0.2162	0.2162		0.2162		0.2162	 0.2162
Total Excluded From Limitations	2.9503	2.9503	2.9503		2.9503		2.9503	2.9503
Total Rate	17.1952	17.1952	17.1952		17.1952		17.1952	17.1952

Source: Clackamas County, Oregon Department of Assessment and Taxation, Assessment & Tax Roll Summaries

Total Assessed Value 2,704,858,083

Average Education 5.40

Average Gen Gov 8.05

Summary of Tax Rates by Tax C	ode				Average Taxes	16.21
Tax Code	012-235	012-236	012-237	012-243	012-250	012-255
Assessed Valuation	\$ 29,152,782	\$ 455,977	\$ 1,980,454	\$ 7,430,611	\$ 914,153	\$ 2,289
M-50 Consolidated Tax Rate	17.1952	17.1952	17.1952	17.1952	17.1952	17.1952
Clackamas Community College	0.5548	0.5548	0.5548	0.5548	0.5548	0.5548
Mt. Hood Community College	0.3670	0.3670	0.3670	0.3670	0.3670	0.3670
ESD Clackamas	4.7907	4.7907	4.7907	4.7907	4.7907	4.7907
Total Education	5.7125	5.7125	5.7125	5.7125	5.7125	5.7125
City of Happy Valley Permanent Rate	0.6710	0.6710	0.6710	0.6710	0.6710	0.6710
City of Happy Valley Public Safety	1.3800	1.3800	1.3800	1.3800	1.3800	1.3800
Clackamas County	2.4033	2.4033	2.4033	2.4033	2.4033	2.4033
County Extension & 4H	0.0498	0.0498	0.0498	0.0498	0.0498	0.0498
County Library	0.3956	0.3956	0.3956	0.3956	0.3956	0.3956
County Publc Safety Loc Opt 2006	0.2480	0.2480	0.2480	0.2480	0.2480	0.2480
County Soil Cons	0.0498	0.0498	0.0498	0.0498	0.0498	0.0498
FD #1	2.3765	2.3765	2.3765	2.3765	2.3765	2.3765
N Clackamas Parks	0.5296	0.5296	0.5296	0.5296	0.5296	0.5296
Port of Portland	0.0698	0.0698	0.0698	0.0698	0.0698	0.0698
Service District 2 Metro	0.0960	0.0960	0.0960	0.0960	0.0960	0.0960
Service District 2 Metro Loc Opt 2013	0.0960	0.0960	0.0960	0.0960	0.0960	0.0960
Urban Renewal	0.1355	0.1355	0.1355	0.1355	0.1355	0.1355
Vector Control	0.0065	0.0065	0.0065	0.0065	0.0065	0.0065
Vector Control LOC OPT 2005	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250
Total General Government	8.5324	8.5324	8.5324	8.5324	8.5324	8.5324
Community College Bond CCC	0.1409	0.1409	0.1409	0.1409	0.1409	0.1409
Community College Bond CCC #2	0.0456	0.0456	0.0456	0.0456	0.0456	0.0456
County Emergency Radio Bond 20	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
FD #1 Bond	0.1063	0.1063	0.1063	0.1063	0.1063	0.1063
N Clackamas SD #12 Bond	0.7798	0.7798	0.7798	0.7798	0.7798	0.7798
N Clackamas SD #12 Bond 2006	1.5615	1.5615	1.5615	1.5615	1.5615	1.5615
Service #2 Metro Bond 2006	0.2162	0.2162	0.2162	0.2162	0.2162	0.2162
Total Excluded From Limitations	2.9503	2.9503	2.9503	2.9503	2.9503	2.9503
	T					
Total Rate	17.1952	17.1952	17.1952	17.1952	17.1952	17.1952

Source: Clackamas County, Oregon Department of Assessment and Taxation, Assessment & Tax Roll Summaries

GBSD Bond 2017

Service #2 Metro Bond 2006

Total Excluded From Limitations

Total Rate

Total Assessed Value 2,704,858,083

Average Education 5.40

Average Gen Gov 8.05

					Average Gen Gov	0.00
Summary of Tax Rates by Tax C	ode				Average Taxes	16.2
Tax Code	012-263	012-264	012-265	012-266	012-267	026-034
Assessed Valuation	\$ 1,164,013	\$ 144,471	\$ 1,628,485	\$ 494,281	\$ 757,323	\$ 114,097
M-50 Consolidated Tax Rate	16.7864	17.1952	17.1952	16.7864	16.7864	16.946
					1	
Clackamas Community College	0.5548	0.5548	0.5548	0.5548	0.5548	-
Mt Hood Community College	-	-	-	-	-	0.4917
ESD Clackamas	0.3670	0.3670	0.3670	0.3670	0.3670	-
ESD Multnomah	-	-	-	-	-	0.4576
N Clackamas SD #12	4.7907	4.7907	4.7907	4.7907	4.7907	-
Gresham-Barlow SD	-	-	-	-	-	4.5268
Total Education	5.7125	5.7125	5.7125	5.7125	5.7125	5.4761
City of Happy Valley Permanent Rate	0.6710	0.6710	0.6710	0.6710	0.6710	0.6710
City of Happy Valley Public Safety	1.3800	1.3800	1.3800	1.3800	1.3800	1.3800
Clackamas County	2.4033	2.4033	2.4033	2.4033	2.4033	2.4033
County Extension & 4H	0.0498	0.0498	0.0498	0.0498	0.0498	0.0498
,	0.3956	0.3956	0.3956	0.3956	0.0498	0.3956
County Duble Sefety Lee Opt 2006	0.3956	0.3956	0.3956	0.3936	0.3936	0.3950
County Public Safety Loc Opt 2006		0.2480		0.2480	0.2480	0.2480
County Soil Cons	0.0498		0.0498			
FD #1	2.3765	2.3765	2.3765	2.3765	2.3765	2.3765
N Clackamas Parks	0.5296	0.5296	0.5296	0.5296	0.5296	0.5296
Port of Portland	0.0698	0.0698	0.0698	0.0698	0.0698	0.0698
Service District 2 Metro	-	0.0960	0.0960	-	-	0.0960
Service District 2 Metro Local Option	-	0.0960	0.0960	-	-	0.0960
Urban Renewal County SP	0.1349	0.1355	0.1355	0.1349	0.1349	0.0373
Vector Control	0.0065	0.0065	0.0065	0.0065	0.0065	0.0065
Vector Control LOC OPT 2005	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250
Total General Government	8.3398	8.5324	8.5324	8.3398	8.3398	8.4342
Community College Bond CCC	0.1409	0.1409	0.1409	0.1409	0.1409	_
Community College Bond 2015	0.0456	0.0456	0.0456	0.0456	0.0456	-
County Emergency Radio Bond 20	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
FD #1 Bond	0.1063	0.1063	0.1063	0.1063	0.1063	0.1063
N Clackamas SD #12 Bond	0.7798	0.7798	0.7798	0.7798	0.7798	-
N Clackamas SD #12 Bond 2006	1.5615	1.5615	1.5615	1.5615	1.5615	-
GBSD Bond	-	-	-	-	-	0.8306

0.2162

2.9503

17.1952

0.2162

2.9503

17.1952

2.7341

16.7864

2.7341

16.7864

Source: Clackamas County, Oregon Department of Assessment and Taxation, Assessment & Tax Roll Summaries

2.7341

16.7864

1.7826

0.2162

3.0357

16.9460

Total Assessed Value 2,704,858,083

Average Education 5.40

Average Gen Gov 8.05

Summary of Tax Rates by Tax C	ode				Average Taxes	16.21
Tax Code	302-015	302-016	302-020	302-021	302-023	302-024
Assessed Valuation		\$ -	\$ 6,014,040	\$ 23,352,779	\$ 7,606,066	\$ 3,000
M-50 Consolidated Tax Rate	15.7426	15.7426			15.7426	
Mt. Hood Community College	0.4917	0.4917	0.4917	0.4917	0.4917	0.4917
ESD Multnomah Co	0.4576	0.4576	0.4576	0.4576	0.4576	0.4576
Centennial SD #302	4.7448	4.7448	4.7448	4.7448	4.7448	4.7448
Total Education	5.6941	5.6941	5.6941	5.6941	5.6941	5.6941
City of Happy Valley Permanent Rate	0.6710	0.6710	0.6710	0.6710	0.6710	0.6710
City of Happy Valley Public Safety	1.3800	1.3800	1.3800	1.3800	1.3800	1.3800
Clackamas County	2.4033	2.4036	2.4036	2.4036	2.4036	2.4036
County Extension & 4H	0.0498	0.0499	0.0499	0.0499	0.0499	0.0499
County Library	0.3956	0.3959	0.3959	0.3959	0.3959	0.3959
County Publc Safety Loc Opt 2006	0.2480	0.2480	0.2480	0.2480	0.2480	0.2480
County Soil Cons	0.0498	0.0499	0.0499	0.0499	0.0499	0.0499
FD #1	2.3765	2.3787	2.3787	2.3787	2.3787	2.3787
N Clackamas Parks	0.5296	0.5310	0.5310	0.5310	0.5310	0.5310
Port of Portland	0.0698	0.0699	0.0699	0.0699	0.0699	0.0699
Service District 2 Metro - Zoo	0.0960	0.0962	0.0962	0.0962	0.0962	0.0962
Urban Renewal County SP	0.0960	0.0960	0.0960	0.0960	0.0960	0.0960
Urban Renewal	0.0373	0.0326	0.0326	0.0326	0.0326	0.0326
Vector Control	0.0065	0.0065	0.0065	0.0065	0.0065	0.0065
Vector Control LOC OPT 2005	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250
Total General Government	8.4342	8.4342	8.4342	8.4342	8.4342	8.4342
			0.4000		0.4000	0.4000
County Emergency Radio Bond 20	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
FD #1 Bond	0.1063	0.1063	0.1063	0.1063	0.1063	0.1063
Centennial SD #302 Bond	1.1918	1.1918	1.1918	1.1918	1.1918	1.1918
Service #2 Metro Bond 2006	0.2162	0.2162	0.2162	0.2162	0.2162	0.2162
Total Excluded From Limitations	1.6143	1.6143	1.6143	1.6143	1.6143	1.6143
Total Rate	15.7426	15.7426	15.7426	15.7426	15.7426	15.7426

Source: Clackamas County, Oregon Department of Assessment and Taxation, Assessment & Tax Roll Summaries



Glossary



Glossary

Accrual basis. Method of accounting recognizing transactions when they occur without regard toward cash flow timing [ORS 294.311(1)].

Activity. That portion of the work of an organizational unit relating to a specific function or class of functions, a project or program, a subproject or subprogram, or any convenient division of these [ORS 294.311(2)].

Adopted budget. Financial plan that is the basis for appropriations. Adopted by the governing body [ORS 294.456].

Ad valorem tax. A property tax computed as a percentage of the value of taxable property. See "Assessed Value."

Appropriation. Authorization for spending a specific amount of money for a specific purpose during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body [ORS 294.311(3)].

Approved budget. The budget that has been approved by the budget committee. The data from the approved budget is published in the Financial Summary before the budget hearing [ORS 294.428].

Assessed value. The value set on real and personal property as a basis for imposing taxes. It is the lesser of the property's maximum assessed value or real market value. The growth is limited to 3% unless an exception applies (e.g., new or enlarged structure).

Assessment date. The date on which the real market value of property is set—January 1.

Audit. The annual review and appraisal of a municipal corporation's accounts and fiscal affairs conducted by an accountant under contract or the Secretary of State [ORS 297.425].

Audit report. A report in a form prescribed by the Secretary of State made by an auditor expressing an opinion about the propriety of a local government's financial statements, and compliance with requirements, orders and regulations.

Bequest. A gift by will of personal property; a legacy.

Biennial budget. A budget for a 24-month period.

Billing rate. A district's tax rate used to compute ad valorem taxes for each property. The billing rate is expressed in dollars per \$1,000 of assessed property value.

Budget. Written document showing the local government's comprehensive financial plan for one fiscal year or biennium. It must include a balanced statement of actual revenues and expenditures during each of the last two years, and estimated revenues and expenditures for the current and upcoming year [ORS 294.311(5)].

Budget committee. Fiscal planning board of a local government, consisting of the governing body plus an equal number of registered voters appointed from the district [ORS 294.414].

Budget message. Written explanation of a local government's budget and financial policies, including any changes from the prior fiscal year. It is prepared and presented under the direction of the executive officer or chairperson of the governing body [ORS 294.403].

Budget officer. Person appointed by the governing body to assemble budget material and information and to physically prepare the proposed budget [ORS 294.331].

Budget period. For local governments on a biennial budget, the 24-month period beginning July 1 and ending June 30 of the second following calendar year. See also "Fiscal year."

Budget transfers. Amounts moved from one fund to finance activities in another fund. They are shown as expenditures in the originating fund and revenues in the receiving fund.



Capital outlay. Items which generally have a useful life of one or more years, such as machinery, land, furniture, equipment, or buildings.

Capital projects fund. A fund used to account for resources, such as bond sale proceeds, and expenditures to be used for major capital item purchase or construction [OAR 150- 294.352(1)].

Cash basis. System of accounting under which revenues are accounted for only when received in cash, and expenditures are accounted for only when paid [ORS 294.311(9)].

Category of limitation. The three categories of taxes on property for the purpose of the constitutional limits - education, general government, excluded from limitation [ORS 310.150].

Compression. A reduction in taxes required by Measure 5 (1990) property tax limits. Compression is computed on a property-by-property basis, and is first applied towards local option tax levies, then permanent rate levies.

Consolidated billing tax rate. The consolidated billing tax rate is the combined total of the billing rates for all taxing districts in a limitation category in the code area but does not include the billing rate for any urban renewal special levies or non-ad valorem taxes, fees, or other charges.

Constitutional limits. The maximum amount of tax on property that can be collected from an individual property for education and for other government activities (Art. XI, sect. 11b, Or Const.).

Contingency. An amount appropriated in anticipation that some operating expenditures will become necessary which cannot be foreseen and planned in the budget. A general operating fund may contain one line for operating contingency [ORS 294.388].

Debt service fund. A fund established to account for payment of general long-term debt principal and interest [OAR 150-294.352(1)].

Devise. A gift by will of the donor of real property.

District. See "Local government." A local government entity that imposes property taxes (e.g. county, city, K-12 school district).

Division of tax. Division of tax refers to the process of, and revenue from, apportioning tax to urban renewal agencies based on the relationship of the excess to frozen value, a.k.a. tax increment revenue.

Double majority. A term that refers to an election where at least 50 percent of the registered voters eligible to vote in the election cast a ballot and more than 50 percent voting approve the question. (Any March or September Election)

Education category. The limitation category for taxes that will be used to support the public school system and that are not used to pay exempt bonded indebtedness [ORS 310.150(1)(b)].

Encumbrance. An obligation chargeable to an appropriation and for which part of the appropriation is reserved [ORS 294.311(13)].

Enterprise fund. A fund established to account for operations that are financed and operated in a manner similar to private business enterprises. They are usually self- supporting. Examples of enterprise funds are those for water, gas, and electric utilities, swimming pools, airports, parking garages, transit systems, and ports [OAR 150-294.352(1)].

Excluded from limitation category. The category for taxes used to pay principal and interest on exempt bonded indebtedness [ORS 310.150(1)(a)].



Exempt bonded indebtedness. 1) Bonded indebtedness authorized by a specific provision of the Oregon Constitution, or 2) bonded indebtedness issued as a general obligation on or before November 6, 1990, incurred for capital construction or capital improvements, or 3) bonded indebtedness issued as a general obligation after November 6, 1990, incurred for capital construction or capital improvements with the approval of the electors of the local government. Bonded indebtedness issued to refund or refinance any bonded indebtedness described above is also included [ORS 310.140(7)(b)].

Existing plan. An existing urban renewal plan is defined as a plan that existed in December 1996, and, 1) chose an option and, 2) established a maximum amount of indebtedness by July 1998 and has not been amended to increase the land area or maximum indebtedness [ORS 457.435(4)(a)].

Expenditures. Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis. Does not include amounts budgeted for interfund transfers, contingency, reserved for future expenditure or unappropriated ending fund balance. [ORS 294.311(16)].

Fiscal year. A 12-month period to which the annual operating budget applies. The fiscal year is July 1 through June 30 for local governments [ORS 294.311(17)].

Fund. A fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific, regulated activities and objectives.

Fund balance. The excess of the assets of a fund over its liabilities and reserves. [ORS 294.311(18)].

Fund type. One of nine fund types: General, special revenue, debt service, capital projects, special assessment, enterprise, internal service, trust and agency, and reserve [OAR 150- 294.352(1)].

General fund. A fund used to account for most fiscal activities except for those activities required to be accounted for in another fund [OAR 150-294.352(1)].

General government category. The limitation category for taxes used to support general government operations that are not for the purposes of paying exempt bonded indebtedness [ORS 310.150(1)(c)].

Governing body. County court or board of commissioners, city council, school board, board of trustees, board of directors, or other managing board of a local government unit [ORS 294.311(20)].

Grant. A donation or contribution in cash by one governmental unit to another unit which may be made to support a specified purpose or function, or general purpose [ORS 294.311(21)].

Interfund loan. Loan made from one fund to another and authorized by resolution or ordinance [ORS 294.468].

Interfund Transfer. Transfer from an existing appropriation category in one fund to another existing appropriation category in another fund. [ORS 294.463].

Intrafund Transfer. Transfer from one existing appropriation category to another within the same fund. [ORS 294.463].

Internal service fund. A fund used to account for fiscal activities when goods or services are provided by one organizational unit to another on a cost-reimbursement basis [ORS 294.311(23) and 294.343].

Levy. Amount of ad valorem tax certified by a local government for the support of governmental activities.

Liability. Debt or other legal obligation arising from transactions in the past which must be liquidated, renewed, or refunded at a future date; does not include encumbrances [ORS 294.311(24)].



Local government. Any city, county, port, school district, community college, public or quasi-public corporation (including a municipal utility or dock commission) operated by a separate board or commission; a municipal corporation or municipality [ORS 294.311(26)].

Local option tax. Taxing authority approved by voters that is in addition to the taxes generated by the permanent tax rate. Local option taxes can be for general operations, a specific purpose or capital projects. They are limited to five years unless they are for a capital project, then they are limited to the useful life of the project or 10 years, whichever is less.

Materials and Services. Expenses for operating costs and supplies and contracted services, such as utilities, rent, liability insurance, repair parts, fuel, accountant's fees, etc.

Maximum assessed value (MAV). The maximum taxable value limitation placed on real or personal property by the Article XI, section 11 of the Constitution. It can increase a maximum of 3 percent each year. The 3 percent limit may be exceeded if there are qualifying improvements made to the property, such as a major addition or new construction.

Maximum authority. The limitation on the amount of revenue that can be raised each year for an existing urban renewal plan area [ORS 457.435(3)(a)]. Plans that are not existing plans do not have a maximum authority amount. This amount is adjusted each year based on the growth of excess value in the plan area.

Maximum indebtedness. The amount of the principal of the indebtedness necessary to complete an urban renewal plan. This does not include indebtedness incurred to refund or refinance existing indebtedness [ORS 457.190(3)(a)]. It is specified in dollars and cents and based on good faith estimates of the scope and costs of the anticipated project or projects. All existing plans are required to have an ordinance which establishes a maximum indebtedness.

Measure 5. A constitutional tax rate limitation (Article XI, Section 11b) passed by the voters in 1990 which restricts the amount an individual property can be taxed. Measure 5 limits school taxes to \$5 per \$1,000 of 'real market value'. All other general government taxes are limited to \$10 per \$1,000 of 'real market value'.

Measure 50. Initially this measure was passed as Measure 47 in 1996 and was found to be unworkable, so was rewritten and submitted to the voters as Measure 50 in 1997 and passed. M50 reduced every property's 1995-96 assessed value by 10%, and also limited the amount of annual growth of the assessed value to 3 %. M50 also established permanent rate limitations for each taxing district in the state based on the current year tax in 1997, and then reduced 13% for most districts. If a district did not have a tax levy in 1997 and had never levied a tax, they could later request a permanent rate limit by going to the voters through a ballot measure.

Municipal corporation. See "Local government."

Municipality. See "Local government."

Net working capital. The sum of the cash balance, accounts receivable expected to be realized during the ensuing year, inventories, supplies, prepaid expenses less current liabilities and, if encumbrance method of accounting is used, reserve for encumbrances [ORS 294.311(27)].

Object classification. A grouping of expenditures, such as personnel services, materials and services, capital outlay, debt services, and other types of requirements [ORS 294.311(29)].

Operating rate. The rate determined by dividing the local government's tax amount by the estimated assessed value in district. This rate is calculated by the assessor when a local government imposes its operating tax as an amount, rather that a tax rate.

Ordinance. A formal enactment by the governing board of a municipality.

Organizational unit. Any administrative subdivision of the local government, especially one charged with carrying on one or more specific functions such as a department, office or division. [ORS 294.311(31)].



Personnel Services. Expenses related to the compensation of salaried employees, such as health and accident insurance premiums, Social Security and retirement contributions, civil service assessments.

Permanent rate limit. The maximum rate of ad valorem property taxes that a local government can impose. Taxes generated from the permanent rate limit can be used for any purpose. No action of the local government or its voters can increase or decrease a permanent rate limit. A district can levy any rate or amount up to their permanent rate authority each year.

Prior years' tax levies. Taxes levied for fiscal years preceding the current one.

Program. A group of related activities to accomplish a major service or function for which the local government is responsible [ORS 294.311(33)].

Property taxes. An ad valorem tax, another other "tax on property", or fees, charges and assessments that are specifically authorized by statute to be certified to the county assessor by a local government unit.

Proposed budget. Financial and operating plan prepared by the budget officer. It is submitted to the public and the budget committee for review.

Publication. Public notice given by publication in a newspaper of general circulation within the boundaries of the local government; mailing through the U.S. Postal Service by first class mail to each street address, PO Box and Rural Route within the boundaries of the local government; or hand delivery to each street address, PO Box and Rural Route address within the boundaries of the local government.

Real Market Value (RMV). The amount in cash which could reasonably be expected by an informed seller from an informed buyer in an arm's-length transaction as of the assessment date (Jan 1). [ORS 308.205].

Reserve for Future Expenditure. An amount budgeted, but not appropriated, that is not anticipated to be spent in the fiscal year, but rather carried forward into future fiscal years. The correct way to "save" money under Local Budget Law.

Reserve fund. Established to accumulate money from year to year for a specific purpose, such as purchase of new equipment [ORS 294.346; 280.050].

Resolution. A formal order of a governing body; lower legal status than an ordinance.

Resource. Estimated beginning funds on hand plus anticipated receipts [ORS 294.361].

Special levy. A special levy is an ad valorem tax imposed for an existing urban renewal plan. It is not a result of a division of tax but rather imposed directly for the plan.

Special revenue fund. A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes [OAR 150-294.352(1)].

Special payment. A budget expenditure category for distributions, pass-through payments, grants made to other organizations and other one-time or unusual expenditures where goods or services are not received in return, and that do not fall into the other categories of personal services, materials and services, capital outlay, etc.

Supplemental budget. A revised financial plan prepared to meet unexpected needs or to spend revenues not anticipated when the regular budget was adopted. It cannot be used to authorize additional taxes. [ORS 294.471].

Tax increment financing. A financial mechanism for urban renewal plans which captures the tax from the growth in property value within a designated geographical area. AKA urban renewal division of tax.

Tax on property. Any tax, fee, charge or assessment imposed by any government unit upon property or upon a property owner as a direct consequence of ownership of that property [ORS 310.140(18)].



Tax rate. The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable property.

Tax roll. The official list showing the amount of taxes imposed against each taxable property.

Tax year. The fiscal year from July 1 through June 30.

Trust fund. A fund used to account for fiscal activities of assets held in trust by a local government.

Unappropriated ending fund balance. Amount set aside in the budget to be used as a cash carryover to the next year's budget. It provides the local government with operating cash until tax money is received from the county treasurer in November. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency [ORS 294.398].